Governance
Stories

A **practical guide** to setting up
your **management committee**
and sustaining its work

Shirley Otto and Jo Clifton

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Section one

Governance stories

1

GOVERNANCE; a tale for our time

A short history of the modern management committee

Have you ever wondered how management committee members came to be called 'trustees' or why academics use the term 'governing bodies'? Or indeed how come groups of part time volunteers were given the onerous job of accounting for the work of full time professional staff? It is a long story at least five hundred years old.

The 'story' is rooted in the different ways individuals and communities have organised support for themselves and others. Social historians talk about two broad, interwoven, strands in the evolution of modern voluntary organisations, namely: philanthropy and mutual aid.

i. **Philanthropy:** this is in a nut shell is the act of a benefactor donating alms to individuals or groups who they regarded as in need and deserving of support. One familiar form of philanthropy is the charitable trust. It was the English government of Queen Elizabeth I who first formalised the relationship between donor and recipient, including expectations of whoever administers the funds and goods (e.g. soups or clothing), for the benefactor (e.g. Community Fund, corporate funders and donations during flag days). The 1601 Statute of Elizabeth (or Statute of Charitable Uses) requires charity administrators to be trustworthy and not unduly 'profit' at the expense of disadvantaged people, or against the wishes of donors. Hence the 'design' of charitable trusts requires the selection of trustees to administer their trust in line with the wishes of the benefactor. Indeed, despite changes in patterns of endowment and regulation, the requirements of charity trustees have remained broadly the same. These requirements were described by Hill (1966)[i] in the following terms, 'A charity trustee is simply one of the persons who control and manage a charity and particularly the money belonging to a charity ... It does not matter how the charity is constituted - by deed or will, as a registered company or an unincorporated society, or simply by an appeal to the public for funds; those who are responsible for the management are charity trustees, and their powers and duties regulated by charity law, which is largely based on the English law of trusts' (p. 11). The duty therefore of charity trustees is to use and manage the property of the charity (which could be buildings or land or investments) in strict accordance with the donor's intention. As a consequence of this mandate charity trustees, and they alone, have discretion in choosing how to carry out their trust; and so long as they exercises it reasonably, and in good faith, no one had the power to interfere.

As important as charitable trusts, but different in kind, is the second broad 'strand' - mutual aid - the roots of the trades unions, self help organisations, housing associations and building societies.

ii. Mutual Aid

The legal frameworks for mutual aid organisations are friendly societies (e.g. Housing Associations) and industrial or provident societies (e.g. building societies). Unlike philanthropy, with mutual aid the key exchange is between equals, one was sharing with the other - the motive, for example in co-operatives, being reciprocal. Hence mutual aid organisations like friendly societies have memberships who elected their governing bodies, (including chairs and honorary officers) - whilst charity trustees may well be selected by a small group of fellow trustees.

However it would be false to give the impression these two strands in legal structures means that we now have two distinct types of organisations in the sector in the UK. Voluntary organisation are often a mix of legal structures (e.g. registered as a charitable company and with an associated trading company to boost fund raising via charity shops) and just because a constitution mentions a membership does not mean members are significant in the life of the organisation.

Understanding the legal framework is made more complicated by many organisations registering as another legal form – as companies limited by guarantee. By this means, management committee members gain the protection of limited liability. In other words by registering as a charitable 'company' individual management committee members takes steps to limit their responsibility for making good debts incurred by their organisation.

This legal form is one of a number introduced, in Victorian times, in response to the extent of fraud in private companies by their directors, and to the detriment of the stakeholders.

By becoming a company limited by guarantee – thereby becoming a private company as well as charity – management committee members absorb the title 'director' to add to that of charitable trustee!

This briefest of discussion about legal structures illustrates the complexity of management and governance – even in small organisations. Not only are voluntary organisations not straightforward but also the expectations of them have been changing significantly.

Charity companies

Changing expectations

Social history studies chronicle changes in ideas about how voluntary organisations should be governed (for a good read see Davis Smith et al 1995 [ii]). These studies divine shifts in assumptions and expectation about roles and responsibilities of management committees and in the status of paid officers. For example detailed accounts of Victorian philanthropic organisations such as the Charity Organisation Society, and the Settlement Movement, describe managers as 'administrators' and 'wardens', whilst trade unions and friendly societies had 'general secretaries', and in Scotland, 'convenors' instead of 'chairs' of committees. The terms for managers were suggestive of functionaries who carried out delegated tasks and routine activities. This is in contrast to present day practice; more authoritative job titles such chief executive or chief executive officer have become widespread. Not only have job titles changed, so too has the language for describing roles and responsibilities. Although what governing bodies and their managers actually did, and do now, may or may not have changed, unlike the terms used to describe expectations. For example terms like 'management', 'policy', 'strategy' and ' governance' only began to feature in job descriptions and guides to good practice in the last 15 - 20 years.

As late as 1966 Hill, who had been a Charity Commissioner, talked of trustees 'administering' their trust, whilst more recent publications focused first on trustees' responsibilities for 'management' and then later the 'governance' of a trust. And so trustees are no longer 'stewards' of the trust's property; they have metamorphosed into proactive strategic governors of complex not - for - profit businesses, and are written about as 'governing bodies'.

Kirkland (1996)[iii], a leading writer on trustees' roles, reflected this when she wrote 'being a charity is no longer an excuse for being an amateur, unprofessional or un-businesslike' (p.95). An influential writer in the 1990s, Carver (1990)[iv], taught that a governing body's responsibility was to address broad top-level strategic issues and set parameters for the paid chief officer and staff. Carver and Kirkland were not alone in wanting voluntary

management committees to be like non-executive directors in commercial companies, i.e. part time fee paid members of a commercial company board. Boards of commercial companies combine salaried and fee paid directors and put great importance on the partnership between the chair of the management committee and their chief officer. By adopting the practice of commercial boards (perhaps even paying management committee members) it was assumed management committees would be less 'amateur' or 'unprofessional', i.e. prone to being ineffective.

These assumptions about governance and management in voluntary organisations were consistent with the monetarist philosophy of the conservative government in power at the time. From this 'managerialist' framework it was argued the roles of governing bodies and paid managers could, and should, be defined in terms of the separation of strategic planning and policy development (governance) from operations (management). For example the Commissions on the Future of the Voluntary Sector noted that 'it is the role of the management committee to set direction and of the managers to undertake day - to - day management' (Deakin1996 p.110[v]). However neither researchers nor management committee members have found the roles and responsibilities of management committees to be as clear as supposed, or the boundaries between the jobs of chairs of management committees and chief officers straightforward - in either voluntary or commercial organisations.

Nor is the story over. Legislation is imminent. A legal option soon available to voluntary organisations in the UK is to register as a 'charitable incorporated organisation' (CIO), which combines the key elements of charities and companies limited by guarantee. Also Scotland now has its own charity regulator – the Office of the Scottish Charity Regulator (OSCR).

Management committees will never come to 'live happy ever after'. As each chapter of the 'story' of voluntary management committees unfolds, it is vital management committees continue to be seen as legitimate and add value to their organisations. The purpose of this book is to help management committees be effective AND for their members to gain satisfaction from an essential job well done.

[1] Hill, C.P. (1966). **A guide for charity trustees**, London UK: Faber and Faber
[1] Davis Smith, J, J. Rochester, C. & Hedley, R. (Eds) (1995). **An introduction to the voluntary sector**, London. Routledge

[1] Kirkland, K. (1996). In trust: The changing role of trustees. In Hanvey, C. & Philpot, T. (Eds), Sweet Charity;

The role and workings of voluntary organisations, London. Routledge
[1] Carver, J. (1190). Management committees that make a difference.

Non-Profit Sector Series, San Francisco: Jossey-Bass
[1] Deakin, N. (1996). Meeting the challenge of change: voluntary action into the 21st century.

The Report of the Commission on the Future of the Voluntary Sector, NCVO, London: National Council for Voluntary Organisations

2

Introduction

If you are involved in the organisation or running of a voluntary or community group, it is likely that you are, or have been, a member of a management committee. And it is also possible that you were given very little preparation or training to take on that role, either before or during your involvement.

This book has been written in the hope of helping you and your colleagues:

- focus your attention on the important areas of work
- avoid mistakes when you can
- learn from them when you cannot
- maintain your enthusiasm
- become expert before it is time to move on
- move on with a sense of accomplishment when the time is right.

… and to deliver good governance by working with your colleagues to help your organisation achieve its goals. The book aims to offer practical tips that you can consider using right away, as well as a source of ideas that can give you and your colleagues a framework on which to base your thinking.

But what is GOVERNANCE?

Governance is a word that has started to crop up frequently in the voluntary sector over the last ten to fifteen years. But what does it really mean? Although it does not have a single definition, it is commonly understood to mean the effective functions and processes performed in an organisation by the members of the management committee [the governing body].

What do you call yourself?

This book is very much about the work and responsibilities of the group legally called 'governing bodies'. They carry many responsibilities for the proper and ethical running of the organisation and are often called 'management committee members' or 'trustees'. There are, of course, many names for this group – management committee, council, board etc. that may stem from the structure or status of the organisation or from historical reasons.

However the tradition amongst community groups and organisations (broadly speaking) is to call their governing bodies 'management committees' and this remains true in areas with high densities of community groups such as Scotland. We decided to stick with this practice and, therefore, to use the term 'management committee' generically though out the book and could be used to describe the governing body of a charity or charitable company, a campaigning organisation, a tenants' association, or indeed a collection of individuals who, as a group, oversee the running of a local fete.

It would be nice to leave it at that. But we need to eliminate confusion that can arise from linguistic and organisational variations before we can move on, confident that you will know whether this book is for you and how it can help.

1   So if what we have termed the 'governing body' is called a 'management committee', they could therefore be said to be *managing* the organisation. But so can the managers they may employ! So we welcome and adopt the increased use of the term 'governance' to describe the governing body's work, and leave 'management' to describe the work of the paid or volunteer managers who work for them. This distinction is emphasised by the fact that the governing body of a charity cannot legally be paid- unless their governing document allows for this - but managers usually expect to be!

2   One of our aims in this book is to help the management committee be quite   clear about its duties, powers and accountability, and thereby bring stability to the work being undertaken… and also help them explain how their own and their manager's tasks are connected but also distinct.

3   And to add another level of complexity, in small organisations, members of the management committee may also undertake other tasks, as an operational volunteer. For example, we know of at least one management committee member who, in addition to their governance tasks, does all the financial management for a small youth work organisation, plus face-to-face work with young people one night a week. In these situations as an operational volunteer, a management committee member is bound at all times by the responsibilities of being a management committee member. This includes the one that says if the organisation is a charity they cannot normally earn an income from this work, unless their governing document allows for this. But only in their work as part of the management committee can we consider them to be carrying out a governance role, and it is vital that they and their colleagues recognise the different roles that they are undertaking.

Why small community and voluntary organisations?

The UK voluntary sector is a richly textured world with a remarkable array of activities and multiplicity of ways of organising them. The extraordinary assortment of causes, people and structures defies categorising. And so it is not realistic to expect guidelines for governance to be applicable to all voluntary organisations without those guidelines being so general as to be of limited use.
This book is dedicated to the smaller voluntary and community organisations. But why choose small organisations? And what exactly does 'small' mean.

Defining 'small'.

Curiously 'small', as a characteristic of organisations, is not easy to tie down. Is it the size of operation, income or number of people involved? For the purposes of this book 'small' organisations are those that are organised by a small number of volunteers or by paid staff, say 2- 8 people, as well as volunteers.

Why have we chosen to focus on small organisations?

1   The majority of the organisations in the UK are small or small to medium sized in terms of staffing and low income.
2   Lots of organisations start small and many of the publications start with a presumption that the group is up and running, well established and with a good percentage of the required policies, procedures and processes already in place. We want this book to be useful from the beginning of 'a good idea', taking readers through the various stages – and trials – of growth and development.

But what about the larger organisation?

Although the focus is on the joys, trials and tribulations of the smaller organisations, the step-by step approach used in this publication, can benefit the management committee members of larger and more established organisations, by providing information and checklists both in the text and the resource pages, to confirm or re-define current practice.

Why 'community'?

Why are we concentrating on charitable associations that are community-based? Again, so many small voluntary organisations in the UK are either community based, or have a cause with a local focus. These are also organisations most likely to have taken a similar journey. Starting very small, usually operated by volunteers, and then, to consolidate their legal status, put down roots and hired paid staff. This growing up might mean the organisation develops formal systems and structures, but it is likely this happens with some resistance and people feeling of things lost as well as gained.

England and Wales, Scotland and Northern Ireland

We hope that the majority of the suggested practices will be common to most organisations throughout the UK, but recognise that there are differences in the legal requirements across the four nations. So we have tried, wherever possible, to signpost readers to the relevant sources of information and guidance within the text, and also in the sources of information section at the end of the book,

where you will find details of publications, national councils of voluntary organisations and websites where you can get advice that is specific to each nation.

The characters in the stories

Three characters are central to this book: Harriet, Eric and Althea. They are not based on actual people rather on a distillation and extension of our experience of a myriad of individuals and groups we have encountered in our combined forty years experience.

Within their stories you will also meet Ali, Beryl, Nia, Sally, Winston, Mira and Mohammed, and hear about Judi, Paul and Pat and many more.

As their stories unfold throughout the book, you may relate to their situations and reflect on options that may face you as you write *your own* stories.

Harriet
Circumstances: Harriet is a part time canteen manager with considerable experience of volunteering and running local events. She was a local councillor in her earlier years.
Role: Harriet chaired the steering group and then the management committee of the Erin Park Community Flat.
Organisation: The steering group was set up as part of a campaign to persuade the council to give local groups use of a council flat for meetings and facilities for young families. Part of the negotiation with the council meant the steering group was required to formalise themselves into a properly constituted organisation. Hence they registered as a charity. Volunteers do both the campaigning and organising.

Eric
Circumstances: Eric is a teacher who took early retirement and who nursed his partner through a long illness. Eric has been a very active member of his local carers' support group. However the challenge for Eric is his involvement in the local coalition of community organisations.
Role: Eric was secretary of the Tinburne Carers' Support Group (TCSG) for six years and was more recently elected a member of the TCCO management committee.
Organisation: The Tinburne Coalition for Community Organisations (TCCO) is a well established umbrella body providing advice, information and support for organisation development to community groups. TCCO also does the payroll for many local groups. TCCO has 6 paid staff and 3 regular volunteers.

Althea
Circumstances: Althea is assistant personnel officer in a large insurance company. Althea's brother has mental health problems and went missing 2 years ago. The pain of this situation made her decide to become actively involved in work with young homelessness people.
Role: Althea is a new member of the Milburn Open House (MOH) management committee, and founder member of the committee's staffing sub-group.
Organisation: MOH both campaigns on issues associated with young homeless and provides homeless young people with advice and information and short term accommodation. It has been a charitable company, set up 8 years ago, and which grew from a core of volunteers to 2 paid staff, and then to 10 paid staff.

How to use this book to help you

There are other excellent books that explain the responsibilities of governance, such as 'Just About Managing' by Sandy Adirondack,[i] or 'Voluntary But Not Amateur'[ii] by Reason and Forbes.

But while they score highly on comprehensiveness and authority, we hope that this book will be more immediately engaging. We hear of too many management committee members who are given the relevant booklets from the Charity Commissioners but never read them. Others read them but don't

discuss them with their colleagues. How many big reference tomes are bought, but rarely taken down from the office shelf?

By using the medium of 'stories', we hope that people can read it for pleasure as well as information, and feel that this is a book that both first-time and experienced management committee members will read with equal benefit. We hope that they will both find immediacy in the stories that can catch their attention when they may only have a few minutes of reading time available. Perhaps they will get immersed in the stories so that from time to time they will say, in management committee meetings or during a relaxed chat afterwards: "This is like that bit in Harriet's story. You know, where…" And then explore together how their story might mirror or differ from Harriet's, Althea's or Eric's.

Once conversations like this are under way, you will be able to turn to the relevant section of this book to find:

- clarification of what is at issue, when a wide range of issues arise
- resources that you can use right away, or adapt
- encouragement to take appropriate action
- help to achieve and sustain good governance.

To help to focus your attention on the issues where you may need help, the book is divided into four discrete sections. This introductory section includes a brief history of governance since the reign of Elizabeth 1. The heart of the book is contained in sections two and three; with section two outlining the duties that are carried out by the management committee *as a whole*. Whilst in section three the focus is on the individual roles and responsibilities you face as an individual management committee member. Section four will point you in the direction of helpful publications and useful sources of information, such as the guidance available from The Charity Commissioners for England and Wales and the Charity Offices in Scotland and Northern Ireland: and information and resource leaflets from the 4 National Councils for Voluntary service.

Although every effort has been made to make this book authoritative, its main purpose is to make people aware of the issues that may be around for them. People using this book to guide them through problems and concerns, must be responsible for their decisions, and if in doubt should consult the appropriate specialists such as lawyers, accountants, etc.

Good luck!

PLEASE NOTE

Although every effort has been made to ensure the accuracy of the statements in this publication, changes in law and individual circumstances may mean that you may need to consult appropriate specialists such as lawyers and accountants before embarking on any course of action.

[i] Adirondack S. [3rd ed.1998] 'Just About Managing'. Management for Voluntary and community Organisations. London Voluntary Service Council.
[ii] Reason J and Forbes R [7th ed.2004]. 'Voluntary But Not Amateur': A Guide to the law for voluntary organisations and community. LVSC

Section Two

BEING A

MANAGEMENT COMMITTEE

3

Becoming more formalised

Harriet is the chair of the Steering Group negotiating for the use of a ground floor council flat in the next street, Erin Park, as a community space for local people. The council liaison officer was optimistic about their application but warned Harriet that there were mutterings about the Steering Group being amateurish, partly because of the recent drama about their budget. Harriet knew the group was at a crossroads, the steering group must not only be more organised but also less casual about how they decide things. They had got to get beyond budgets on the backs of envelopes – especially when they did not add up! Harriet was uneasy though, there would be tension; people liked doing things their own way and would not care for more formal meetings, or much more paper work. Indeed a couple of veteran members had already said to her it was important the group did not lose the relaxed and friendly ethos that worked so well. For relaxed Harriet read 'comfy' and 'familiar'. How would they make the transition? Losing people would be a loss and, at worst, could cause a general withdrawal. Does growing up really have to mean losing the good feeling of friends working together?

Not all small voluntary organisations need or want to have a lot of formal procedures determine their relationships and ways of working. Plenty of small organisations, especially those with low incomes and composed entirely of volunteers, retain an informal ethos. The degree to which an organisation lays down rules and regulations must depend on whether structures help or hinder achieving its purpose. In other words, how formalised organisations should become is a matter of 'horses for courses'. The minimum perhaps is to agree a basic set of written rules for members to adhere to, as well as a statement of aims and values.

However this is not to argue that people should adopt the kind of rules and regulations they prefer; rather more important is what is best for the cause or client group. Hence a group of eco-activists or anti-hunting saboteurs will invest in informal networks and IT to arrange protests, rather than meetings with minutes, reports and policy documents.

The reasons for new and small organisations to formalise their arrangements for running their organisation is often a combination of the following:

- Significant increase in income
- Wanting to open a bank account
- Employing staff
- Having responsibility for premises
- Applying for grants
- Increase in complexity and diversity of services
- Increase in the numbers of people involved who require organising and coordinating.

What does a basic set of rules mean?

It is the experience of even the smallest and most short-term community groups that it is important to have an agreed framework for internal rules and procedures written down in the form of a governing document. This framework would include (i) the group's purpose and aims (ii) the nature of any membership and (iii) the management of the group, including the selection or election of the management committee and the establishment of the powers of this committee (e.g. to call meetings, decide expenditure or take out insurance.

It is wise to also:

- Write down the remit or expectations of (i) members of the group or organisation, (ii) the management committee and (iii) any other work group or role and regularly update them;
- Establish procedures for meetings, e.g. agendas, minutes and regular reports on activities;
- Set up proper book keeping arrangements including regular financial reports (e.g. quarterly) to the management committee;
- Arrange regular support for any volunteer staff, as well as procedures for managing complaints from / about volunteers or users. (For example users of the Erin Park community flat might be unhappy about the constant lateness of the volunteer responsible for opening up the flat in the morning).

It is also sensible for groups (however small) to regularly take stock and review (i) expectations of who does what, why and with what result and (ii) current and future direction (e.g. what should be happening in 12 to 18 months). How often should these happen? Annually makes intuitive sense, or every 18 months at the most. The point of these reviews is not only to learn from experience but also to then make the necessary changes - long before serious disputes about priorities and stress from overwork undermine relationships.

However wise Harriet's Steering Group maybe in establishing these procedures, such changes are not easy and people do miss the relaxed atmosphere and can grieve its passing. Formalising the group has to be a process of discussion and negotiation.

What about legal status?

Voluntary or community organisations, such as newly established groups like Harriet's, who have not sought charitable or company status, are in legal terms *unincorporated associations*. Many voluntary and community groups retain this status throughout their lives – especially those that have a small income and are run entirely by volunteers. Compared to other legal structures unincorporated associations are quick and easy to set up and get going; unless there are legal fees to pay. Moreover, since broadly speaking, since it is up to the association what it does, it can adopt whatever processes best fits it's purpose (for instances, deciding if membership should be by invitation or democratic election). Finally unincorporated associations can generally be wound up fairly easily.

At the stage when we first meet Harriet, her group is an unincorporated association. Clearly, the Steering Group for the flat needs to ensure that they run their affairs in a proper fashion - but is this enough? It is intended that the Erin Park Community Flat will provide services to local people, in the local authority's community flat, and will apply for grants from charitable trusts as well as the local authority itself. To do so Harriet's Steering Group must think through whether or not the community flat should become a legal charity, as well as making decisions on whether there is to be a membership (i.e. people who have a right to vote at an annual general meeting) and what this means.

What does being charitable signify for an organisation or group? In the strict legal sense a charity is an organisation set up exclusively for the benefit of the public, and is registered as such with the appropriate regulators. The purposes or objects of the charity would be stated in their governing document (or more precisely trust deed) and would be expressed in broad headings such as the relief of financial hardship, the advancement of education and / or of religion and other purposes beneficial to the community.

4
Seeking Registration as a Charity

Harriet opening her post suddenly realised what she was reading and was briefly lost for breath. She was not sure if her reaction was excitement or a mild panic attack. The council had agreed to the Steering Group's proposal for the use of a ground floor flat in Erin Park Road. But there were conditions. The council would let the group have use of the flat, and give them a grant for basic running costs, but only if the group became legally constituted as a charity. Harriet realised that this would mean deciding whether to become a charitable association or a trust, which, she thought, seemed a lot of work for a small community group – as well as being costly in lawyer's fees. There were gains and losses, she mused, in doing things the ways others wanted them, even if it bought them money in the end. 'It is another world', she thought bleakly, 'but it appears we have got to go there; there's not a choice really; makes you wonder who will actually control our flat'. She went into the kitchen for a third cup of coffee.

Harriet's concerns are not unusual. Many voluntary and community organisations start as a small groups of activists who come together to fight a cause, argue for more and better services or changes in social policy. Yet if they are to move from a group of committed people with shared concerns to receiving grants from charitable trusts and foundations, they must consider becoming legally established as charities – whatever the loss of flexibility in how they operate. Moreover becoming a charity has the advantages of tax and rate relief as well as credibility when raising money.

What does this all mean in practice? Firstly, it means the Steering Group has to decide whether or not the Community Flat is being set up for charitable purposes; in other words, is the Community Flat actually intended for the benefit of people other than the Steering Groups and their associates? Secondly, it means deciding whether seeking legal status as a charity is what is appropriate to the aims of the Steering Group for the future of the Community Flat. And thirdly, if seeking legal status is appropriate, it means registering as a charitable trust with the charity regulator for that nation (e.g. Office of the Scottish Charity Regulator in Scotland)

The Steering Group would also be wise to discuss whether or not, at that point in time, to go further and become incorporated by, for example, registering as a company limited by guarantee (see 2.9 for further details).

To make sense of all this it would help to unpick the decisions facing the Steering Group and take in some background on legal structures and voluntary and community organisations.

a. Unincorporated associations: the Erin Park Community Flat or more specifically, the group of committed individuals striving to give birth to a community flat is in legal terms an 'unincorporated association'. As we have seen as an unincorporated association it could have, or not have, charitable purposes, in the sense that the Community Flat could or could not be for the benefit of the community, or a significant section of it, or may or may not be intended as non-profit making. The Erin Park Community Flat is, in essence, simply a group of people working together to make something happen that is important to them. An unincorporated association is not required by law to gain approval of any kind before setting up, although it may well have to register with some bodies - like the Inland Revenue - before operating.

However as the Erin Park Community Flat is being set up with charitable purposes in mind (i.e. for the benefit disadvantaged families and young people in the local area) it is appropriate to describe it, at this stage, as a charitable unincorporated association, i.e. it is run by its members (most of whom are on the Steering Group) for the benefit of local disadvantaged groups, according to its constitution or rules (i.e. the governing document). But for the Steering Group to operate as a legal charity, it must formally register as a charitable trust and adapt its framework for governing itself accordingly.

b. Charitable trusts: if the Erin Park Community Flat were to seek charity registration, they would be expected to meet specific requirements. A charitable trust assumes there are three parties: (i) donors of money or property (now and in the future), (ii) trustees (for instance the Charity Commission for England and Wales usually requires a minimum of three trustees) to oversee the management of the money or property for charitable purposes and (iii) beneficiaries - people who are to benefit from the work of the trust. The trustees must ensure the property or money is used for the charitable purposes set out in the trust deed (a trust's governing document) and it is usually illegal for them to personally gain financially from their work as a trustee. A charitable trust does not assume a membership structure or the election of trustees/ management committee members; merely that there are people to be trustees - although trust deeds can be written in a way that allows for a membership and the election of trustees.

Fig 1.1 describes the individual and collective responsibilities of management committee members of charities.

However, although becoming a legal charity does not obliged the Steering Group of the Community Flat to have a group of members who vote for a management committee (the trustees), whether or not they should is an important debate. How important is having a membership to the values and purposes of the Community Flat? Should those who use the Community Flat have a formal role in how it is governed? What about other interested people in the area? And how would they join? What else would it mean to be a member – apart from voting for management committee members? (See 2.10 for further discussion). The outcome of these decisions is fundamental to the external reputation of the Community Flat, and not only to the role and operation of the trustees/ management committee. Harriet's concern about the cost of becoming legally constituted is unlikely to be borne out by experience; it is not expensive, although in the course of the process the organisation may need legal advice.

The process of agreeing the governing document – whether this is in the form of basic rules of an association or a trust deed – can be time consuming, but it will be time well spent. What is involved in preparing a governing document? The key elements are provided in Fig 1.2.

If it is the basic rules of an association that are being drafted, the final step is for those involved formally to adopt it by holding a meeting, or by the first members signing the governing document. If the document is to be the trust deed for a charitable trust, there are a number of useful models available from the charity regulators, the details of which are in section four.

What might take up an awful lot of the Steering Group's time and energy is debating, and finally deciding, what the 'governing body' of the charitable trust is to be called. Is the committee to be known as a 'board of trustees'? Or adopt the more general title of a 'management committee'? Voluntary and community organisations, past and present, have had a range of titles for such committees, be they executive committees or councils of management. It is a matter of what best fits with the values and culture of the organisation. However in this book all such committees, whatever their culture or legal structures are referred as 'management committees'.

Fig 1
**The individual and collective roles of
management committee members of a charity**

The management committee of a charity has a legal responsibility to act within the terms of Charity law, and if incorporated, must also comply with the relevant provisions of Company Law. It must ensure legislation is adhered to in relation to employment of staff, health and safety, data protection, copyright and laws relating to buildings and leases, as well as other relevant laws such as child protection.

It is responsible for ensuring that the organisation complies with all contracts it is a party to, and with specific requirements of funders.
Whilst the management committee, as a whole, retains responsibility, it may delegate the authority to act in these matters to individuals management committee members, volunteers, paid staff, outside specialists etc.

The management committee is also seen as the 'guardians of the vision', and ensures any work carried out is within the scope of the organisation's values and principles, and furthers the constitutional aims.

The members of the management committee are required:

- ✓ to work within the scope of the governing document

- ✓ if applicable, to make sure legal obligations in relation to charity law and/or company law are met

- ✓ to find and mind the money, including having a budget and funding strategy, keeping proper accounts, reporting on the finances to people who have a right to know about them

- ✓ to keep agreements made and provide accountability to funders and other stakeholders such as clients, service users etc.

- ✓ to assess the risks and legal obligations for the organisation, paid staff, volunteers and management committee members.

- ✓ to keep to legal requirements such as those set down in agreements, leases, Health and Safety, Equal Opportunities, Data Protection etc.

- ✓ comply with employment law, and good practice for employees and follow good practice in engaging and supporting volunteers

- ✓ to manage and maintain premises and equipment in accordance with the terms of the lease, etc.

- ✓ to maintain and review a long term plan for the organisation and be aware of the action needed should the organisation need to close down

- ✓ to ensure that there is a working partnership between the management committee members and staff, and effective mechanisms for involvement by the members and/or beneficiaries of the organisation.

Fig 2
Drafting a governing document

This document sets out what the organisation sets out to achieve and how it intends to carry it out and manage it. Generally speaking, it is called a constitution if the organisation is un-incorporated, a trust deed if a charitable trust, and memorandum and articles of association if it is incorporated. It is important that everyone thinks carefully about the features to be embodied in the governing document - so that it is a real reflection of what people want to achieve, and also how they want it to function – now and in the future. Using a 'model' from the local Council of Voluntary Service can be useful to provide a structure. But it is vital that this is merely the framework so it must fit your purpose, The basic issues which are likely to be covered by a governing document are:

Purposes [Objects]

You should detail the main objects of the organisation, or a statement of why it exists [e.g. to promote healthy living]. The objects need to be distinguished from the powers.

NOTE   *To register as a charity, all the purposes or 'objects' must be recognised as charitable by the Charity Commission (or the equivalent regulator) and once registered charities cannot change their objects without the consent of the regulator.*

Powers

These relate to the organisation's internal administration - such as the power to borrow money, employ staff etc. Also to external issues such as the power to conduct research, hold conferences etc.

Membership

This states who is eligible to become a member of the organisation and any qualifications required; any rights arising from membership and how these may be changed, and how membership may be brought to an end. It must include details of meetings of the members [general meetings].

Structure of Management Committee

This details who is allowed to be on the management committee, procedures for nomination and election [including re-election] including any reserved places for interests such as another named organisation or individual, co-option of new officials. Also provisions detailing the powers delegated to the committee, including rules for their meetings, and the power to set up sub-committees.

Changes to the governing document

This indicates how the governing document can be amended, for example at an annual general meeting or special meeting called for this purpose.

Dissolution

These are the steps taken for winding up the organisation and how any remaining assets are to be dealt with.

5
Roles and Responsibility of Management Committee Members

Two of Harriet's friends on the Steering Group have said they might consider being members of the new management committee for the community flat, except they are anxious about what they are expected to do, and most important, be responsible for. Harriet realises it is crucial she is clear and straightforward in her approach, and does not frighten them, - yet she is not absolutely sure she understands the job herself. There is a danger too, she considers, that she will slip into 'selling' the job to them, because the new management committee needs to form quickly, and, in reality, not many people are interested in becoming management committee members.

She chuckles when she remembers the first time she was asked to consider joining a management committee – she was told it only meant attending six meetings a year. A month later the project had its grant withdrawn - and she found herself having to attend six meetings in a month not in a year!

Harriet is sensible to realise it is not simple helping potential management committee members understand what would be expected of them. Clear expectations of management committee members are utterly essential to them doing the job well yet these expectations are not easy to make sense of, nor straightforward to carry out. Indeed it is not unusual for the remits provided in the how-to-do-it manuals to still leave room for questions and differences of interpretation. The formal language of legal registration and regulation lacks the immediacy of everyday words as well as the expectations being imprecise.

Four elements of the remit of a management committee member
Having done some reading, and down loaded bits of material from the Internet, Harriet told her two friends that the remit of management committee members was fourfold:
- To act as guardians of the beliefs and values at the heart of the organisation;
- To ensure the organisation has a clear direction/ strategy for present and future work - and that this work is rooted in the core values and principles of the organisation;
- To ensure staff (paid and volunteer) report on what they do, why they do it, and what impact it has;
- To take ultimate responsibility in the organisation for complying with external regulations and the requirements of funders in accounting for funds, employment of staff, investment of assets, managing risk and other legal responsibilities.

What this meant members doing, she explained, was:
- Making a specific contribution (e.g. as an honorary officer; as a member of an internal sub-committee or an external forum;
- Participating fully and responsibly in meetings, training and strategic reviews;
- Giving each other support and help – including constructive criticism;
- Co-ordinating and communicating with other volunteers and paid staff.

Collective responsibility
Fundamental to understanding the role of management committee members, whatever the legal structure, is that responsibility is collective. All members are equally accountable for what happens. What one management committee member does is the concern of others, and to be accounted for, or explained by, their fellow members. Similarly, the fact that an individual is absent from meetings does not in any way absolve them from liability for the decisions made at those meetings and their subsequent impact. Even the chairs of the management committee are no more, or less, responsible than any other members for decisions and how they are implemented. This applies to all the honorary officers (e.g. treasurer) no matter how experienced or established they are on the management committee. A management committee is as strong as the collective capacity of its members. And should there be legal repercussions from a decision all management committee members are equally liable.

Principles of management committee-ship

Perhaps there is a danger of discussing roles and responsibilities and losing sight of what is most important – the principles that underpin good management committee-ship. The *first* of these principles is that members are **trustworthy**, i.e. that they can be trusted to adhere to, and promote the values and purposes of their organisation, even if it might mean going against their own interests or those of other organisations they are involved in; the *second* is to act with **integrity,** to act honourably be it about accounting for money or dealing with differences of opinion; the *third* is to work with others in a spirit of **co-operation.**

Management committee members of charities are expected to act without regard to their own interests; to walk the line between doing something because it gives them personal satisfaction, and doing it in a selfless, or non-self regarding way. Hence it is not satisfactory for someone to volunteer to be the chair of a management committee primarily because this will increase their credibility, locally, with the great and good. It is possible that this may come about as a by-product of serving on a management committee, but it must not be the point of doing so. There are, however, positive though secondary benefits to be gained from being a management committee member. For example: an increased sense of self worth; the opportunity to meet interesting people; gain friends and accrue new skills and knowledge. Fig 2 is designed to help people interested in becoming management committee members to be clear what kind of agreement they would be entering into.

Associations that are not registered as charities (for example tenants' associations) would not necessarily expect management committee members to be always so selfless. Joining the management committee of your housing co-operative because this could improve the standards of repairs to your flat makes a lot of sense.

As Harriet talks to the two potential management committee members, about the role, it could become clear that they have other ideas about what is required - because they have read different guidelines and gone to different websites. Recent years have seen rapidly changing ideas about the remit of management committees and about how staff and management committee members' roles fit together. What has not changed though, and must not change, is the core of the role. Management committee members' primary function is twofold:

(i) to ensure their organisation remains committed to its values and to the people it is set up with, or for,

(ii) to ensure the organisation uses its resources (e.g. people, funds and reputation) in the best way possible to achieve the purposes of the organisation.

Figure 3
Drawing up an agreement for individual management committee members

These proposals are the basis for an agreement between the organisation and the individual committee member.

The organisation needs to consider what it offers the prospective committee member in the way of support, training and background information, to help them carry out their duties.

The organisation asks that the committee member:

- commits to the values and principles of the organisation

- will commit time and interest to the organisation

- is aware of the organisation's aims and objectives and works in support of them

- always acts in the best interests of the organisation; working in support of them

- is prepared to attend training relevant to their role in the committee

- follows constitutional procedures and ground-rules at meetings

- is realistic about the amount of work they can take on

- is honest about work they can no longer continue

- is aware of the need for confidentiality and respects it

You may want to add others specific to your organisation.

The organisation offers the management committee member:

- Information and induction training at the start of their involvement

- Reimbursement of agreed expenses

- On-going basic and specialist training

- A support system

- Adequate and appropriate information to allow pertinent decisions to be made

- Opportunities for development within the management committee

You may want to add others specific to your organisation.

6
Roles of honorary officers

'Well, if our treasurer does not approve it doesn't happen, after all he is Mr Money-Bags!' Harriet was dumbfounded to hear this said by a woman at her lunch table after a fund-raising workshop; (Harriet's new management committee did not have a treasurer yet). She was also nonplussed because she understood the treasurer, like the other honorary officers, was no more responsible ultimately than any other management committee member. Either she was wrong and had to go back and tell people different – which would be very embarrassing - or this woman had meant something else. Harriet decided it was best to be subtle. 'How come your treasurer thinks the money is his money?' Harriet asked. The woman looked swiftly around her and then drew Harriet into a secluded corner…

Forty minutes later Harriet staggered away feeling she had had an overdose of voluntary organisation as soap opera. She was right about the role of the treasurer though. But really - the way some people behaved when they got a little bit of power!!

It is true that what honorary officers do can vary widely across different organisations, and at different times in the life of an organisation. For example it will make a difference if the organisation has paid staff or is run by volunteers. At the same time, custom and practice has evolved *core* duties and responsibilities for each of the honorary officers:

- **Chair** – essentially the chair's role is to ensure meetings are run effectively. Other duties might include: chairing sub-committees; developing the management committee and its members; acting as a figurehead for the purposes of fund-raising, external liaison and public relations; acting as line manager or coach to senior staff - the chair's duties may include all or only some of these depending on the individual and organisation. Finally, should the governing document allow for it, the chair is entitled to take 'chair's action', i.e. take a decision that out of necessity must be made before the next meeting. This decision must be reported to the next management committee meeting, and if there are any financial or legal implications, the decision must be ratified by the management committee.
- **Vice chair (s)** – essentially the role of the vice chair is to stand in for the chair at meetings; the vice chair(s) might also carry out some of the duties mentioned above for the chair.
- **Treasurer** – essentially the treasurer's role is to assist the management committee in meeting the requirements for financial accountability. This would include ensuring budgets and funding strategies are drawn up and approved by the management committee, ensuring regular financial reports to the management committee, meeting with the finance worker, (if there is one), and holding discussions with auditors. It is also important that the treasurer help management committee members, who may be inexperienced in financial procedures, to understand finance reports and their implications.
  - **Secretary** – the secretary's role is essentially to oversee the paper work associated with the committee, for example the minutes of meetings and management committee correspondence. Not all governing documents require management committees to have an honorary secretary, and it is not unusual for the management committee's administration to be done by paid staff.

Fig 3 details the tasks associated with the remits of honorary officers, and the choices available to individuals/ organisations when defining the duties of each of the officers.

The part played by honorary officers is critical to the proper functioning, not only of the committees, but also of the organisation as a whole. Much depends on their conduct. They are an integral part of the management committee and need always to keep this in mind. A management committee is a collective enterprise in which some members take on specific duties in the name of the management committee and remain answerable to it. This includes voluntary (and paid) company secretaries in incorporated charities.

An incorporated organisation set up as a company limited by guarantee (see 2.9 for more details) must, under company law, have a **company secretary**. The company secretary is not an honorary officer, but has certain duties set out in company law. The company secretary may or may not be a member of the management committee. Indeed a paid or unpaid member of staff can hold the post - or indeed the organisation's accountant. The statutory requirements of a company secretary include preparing the paperwork for meetings, overseeing committee procedures (e.g. organising Annual General Meetings) and providing the Registrar of Companies with the required information

Fig 4
Task Remits for Honorary Officers

Task remits should fit the organisation's needs, and reflect the skills and experience of people who are working – paid and unpaid – in the organisation. In a small and developing organisation, those who have skills and experience may take on a disproportionate amount of work. But in an organisation with a large and / or skilled workforce, tasks can be divided up more equally, and assigned to those with the required skill and experience.

The following provide a basis to develop the most effective remits for your organisation.

Chair **All organisations**
Chair and manage meetings
Help to set the agenda
Represent the Committee / the organisation
Be a cheque signatory
Act as a signatory to funding applications
For those organisations with staff
Support the Chief Officer
Be actively involved in recruitment of senior staff members

Vice-Chair These are often limited to carrying out duties 1-4 in the absence of Chair and others that the organisation determines. So it is vital that there is regular contact between chair and vice-chair, passing on relevant information regarding current issues, to enable the vice-chair to take appropriate action.

However, the vice-chair should be more than just a substitute: consider giving them specific responsibilities, such as convening or chairing sub-committees, so that their role has more substance and significance. A vice-chair's role may also be seen as an 'apprentice', being the next to succeed to the role of chair, in their own right.

Treasurer **All organisations**
Contribute to formulation of financial and related policies
Operate as a cheque signatory
Help produce financial reports
Ensure expenditure is in line with organisation's agreed decisions and funder / donor requirements.
Present financial report to the Committee, answering relevant questions and highlighting possible difficulties
Chair finance sub-committee
Liaise with auditor / financial examiner with prepared annual accounts.
Present financial report at AGM
For those organisations with staff
Oversee and monitor finances and cash flow with Chief Officer
Ensure statutory returns to Inland Revenue PAYE / IRNIC

Secretary
Help set agenda [with chair]
Take the minutes at committee meetings
Arrange the AGM
Act as the contact point for correspondence.
Send out correspondence on behalf of committee
Act as a signatory to cheques

REMEMBER Although the office bearers are carrying out the various tasks allotted to their role, it is the responsibility of EVERYONE on the committee to ensure that they are done

7
Setting up sub-committees

Harriet's management committee' decision to introduce formal meetings, job descriptions and annual reviews did mean a couple of founding members, who had been on the Steering Group, left. However new people joined as well. Amazingly, these new members not only accepted the new regime but also seemed to expect more structures to be in place. Winston, having been active in other community groups, was the most vocal. He told Harriet he was used to the management committee having sub-committees to deal with the detailed work, and thought a couple should be set up. One, he thought could oversee the programme of activity in the community flat, and the other the recruitment of volunteers. Harriet was not convinced; there were enough meetings already, she thought; if they were to start having sub-committees then it should be about the finances. However, Harriet agreed with Winston that the usefulness of sub-committees should be discussed, and if they were thought a good idea in principle then go on to tackle what sort was needed. But she was worried about whether they really had enough people involved to go to all these meetings.

Harriet's management committee should have debated setting up sub-committees before finalising their governing document and registering as a charity. Once registered as a charity, it is only possible for the management committee (as the governing body of a charity) to delegate tasks and powers (i.e. what they can do and decide) to sub-committees if the governing document allows for it. Otherwise the governing document has to be amended - if there are members - by a vote at an annual general meeting or special general meeting, or if there are not members - with permission from the charity regulators.

On the whole, given Harriet's reservations, sub-committees are useful tools to help management committees deal with the range and volume of their work. The function of sub-committees – for example, finance or personnel sub-committees – is to tackle the detail of policies and procedures that would otherwise take up a lot of time in management committee meetings. Although it is important to keep in mind that any decisions made by these sub-committees remain the responsibilities of the whole management committee and that they – the management committee – are accountable for them.

Sub-committees also have secondary value. They are a way of involving and co-opting other key people and groups in the work of the management committee. For example:
- outside experts or specialists;
- users or clients;
- paid staff and volunteers.

Typically sub-committees fall into two types:
- On-going e.g. finance, staffing and quality standards
- Short term e.g. working parties on fund-raising or social events

Figs. 5 & 6 show an outline of the remit for a sub-committee and examples of remits for health and safety, finance and personnel sub-committees.

Having sub-committees can mean an excess of meetings and muddles about remits and roles. There is nothing more de-moralising for a sub-committee than the management committee either ignoring their proposals or tearing them apart and re-doing them. Ideally there should be a minimum of sub-committees with each having clear terms of reference, i.e. written statement of their purpose, membership, reporting procedures and powers.

Figure 5
Terms of reference for a sub-committee

1   Name of Sub-committee

2   Constitutional reference

Where, in the governing document, does it specify this power?

3   Membership

Who is allowed to be a member and who might be disqualified from membership? Is there any member who must be included? This clause usually determines who will chair or the sub-committee

4   Remit

This is a general overview of the types of tasks to be carried out

5   Time-scale

On going or short-term, such as a working party for a specific event

6   Responsibilities

The areas that the sub-committee has authority, i.e. can make decisions on without prior reference to the main committee.

- **Powers and Limits**

    i   Operational

    This will note what the sub-committee can do to carry out its operations .e.g pass on the job of collating and printing their research material to the administrator of the organisation.

    ii   Financial

    This details any finance that is available for the operation of the sub-committee. These should be itemised and will probably include a clause, which limits its use. e.g. No individual member can commit [the organisation] to any cost or action without reference to the chair of the sub-committee or a designated member of the management committee.

7   Reporting back

This details the reporting procedure including the type and frequency of reports. This will not include any confidential matters discussed in sub-group meetings.

8   Relationship to management committee

This clause sets out where the sub-committee fits into the organisational structure

Fig 6
Sample remits for sub-committees

The following remits encompass just 3 areas that may be tackled by the specific sub-committees. After discussion with the whole management committee, you can decide on the areas that are appropriate for your organisation. The special powers you grant or limits you set on the operations of this sub-committee must be also discussed fully and agreed before they begin to operate [see Resource 5]

HEALTH & SAFETY

Remit
Set and monitor arrangements for ensuring that the organisation is a safe and healthy place.

Responsibilities
Ensure all procedures are in line with current legislation

Monitor the effectiveness of the Health & Safety procedures

Arrange for fire and safety inspections annually

Ensure procedures are in line with the organisation's Health & Safety Policy

FINANCE
Remit
Address the management and arrangement of the financial affairs of the organisation, and make recommendations for consideration by the board.

Responsibilities
Consider revenue and capital budget planning and draw up draft budgets for the consideration of the committee.

Monitor revenue and capital budgets, and take follow-up action as required

Review the format of internal and external financial statements and reports and ensure they reflect good practice.

Consider performance-monitoring information in respect of all the organisation's financial and non-financial activities.

Ensure the keeping of accounts for proper recording and auditing of all transactions.

Ensure that banking arrangements adequately meet the needs of the organisation.

Ensure that adequate insurance cover is in place and implement a simple risk management strategy to protect the interests of the organisation, staff and service users.

PERSONNEL
Remit
To ensure that good practice operates throughout the organisation, in respect of supporting and managing staff members.

Responsibilities
In consultation with the finance sub-committee:
    Determine the salary grade for all new employees
    Consider requests for pay rises for all staff
    Consider cases for redundancy
Monitor and evaluate the staffing structure and ratios of the organisation
Formulate job descriptions and person specifications
Draw up advertisements for new staff
Act as the appeals body for staff having a grievance concerning terms and conditions

8

Payment of management committee members

Harriet met an old acquaintance, Jim, on the train. Jim was very active committee member of a charity promoting sports amongst young people with severe learning difficulties. Jim spoke at some length about the problems he was having getting agreement, from other management committee members, that he be paid a consultancy fee for preparing a report on insurance and risk in waters sports for young people with severe learning difficulties. After all, he was one of the few experts in this field, and the organisation could afford the £1000 fee he had quoted. Harriet said, whilst she understood why Jim thought it was unreasonable to expect him to provide the consultancy without some kind of acknowledgement, he could not be paid for the work because paying trustees was against charitable law. Jim said this was not true as their governing document allowed for payment of management committee members. Harriet said their constitution was therefore illegal. The conversation ended at this point, as she had to get out at her station.

Harriet is both right and wrong.

It is fundamental to the notion of charity trust law that management committee members should not gain financially from their involvement, i.e. that the people responsible for ensuring the proper distribution of the organisation's resources should not gain financially from doing so. That a management committee member is financially disinterested is very important both to realising the organisation's charitable objects and to the general public's trust in charities. Indeed, some management committee members like to think of themselves as 'stewards', helping in the battle for social justice, by acting with integrity to make sure the resources at their disposal are put to best use.

At the same time it is perfectly acceptable for management committee members to be reimbursed for expenses (e.g. travel expenses and help with child care) as long as their governing document allows for this, and all claims are properly accounted for. (see Fig 5 for details of what is, and what is not, allowable for volunteers to claim as expenses).

It has been argued that all management committee members *should* claim expenses, especially travel expenses, so that those who cannot afford not to do so can claim without feeling exposed or obliged not to claim. As importantly, by accounting for these expenses it gives the organisation a more accurate idea of running costs.

Harriet is wrong to the extent that some governing documents do anticipate that fees may need to be paid to management committee members. But a charity can only remunerate its management committee members – either by financial payments or benefits in kind – if it has the legal right to do so. A governing document may authorise payment for assistance with specific things such as legal problems and public relations; it may go so far as to authorise paying management committee members to be members. But a management committee member can only receive payment for specific services, from their charity, if:

(i) the governing document allows it (i.e. the payment of a reasonable sum for the services) - *or* the charity regulator has given consent;
(ii) the payment is a fair price for the work and the charity can afford it;
(iii) the payment relates to real services and is not a gift;
(iv) the person concerned withdraws from the meeting when their payment is discussed.

Not surprisingly management committee members of charities cannot amend their governing document to remunerate themselves without the authorisation of the charity regulators. In terms of paying management committee members to act as management committee members (e.g. the chair or treasurer), in general charity regulators take into account the nature of the charity, its resources, the specific skills required, the availability of other people who might provide them, and the comparative costs of buying in the skills rather than paying members of the management committee. Charity regulators would only allow amendments to the governing document for paying professional services if, (i) safeguards are in place, (ii) the service is necessary and (iii) is better supplied by a management committee member than by an outside independent person.

Yet even if the governing document does allow for payment to management committee members, it is worth taking time to consider the implications of agreeing to do so. Important considerations are:

- Ethical - earning money from work that might in other circumstances be done voluntarily may not be understood for what it is by other volunteers and paid staff. Nor might it be viewed as morally acceptable by outside organisations and funders;
- Equal opportunities – are the processes for agreeing the allocation of the work consistent with the principles of equal opportunities?;
- Best value – is paying a fellow management committee member to work at a reduced rate necessarily going to get the best results? How would their work be checked? How would concerns about it be expressed and managed?
- Liability – how clear is liability for problems that arise? If a lawyer / management committee member is paid for legal services do they have sole rather than collective liability for the work?

The payment of management committee members, whether in general or for specific services, is complex and sometimes murky territory, especially if the people or activities create concerns about conflicts of interests.

Fig 7
Volunteer expenses – what's allowed and what is not

For tax and national insurance purposes, volunteers [and that includes the management committee] who are paid *anything* more than reimbursement of genuine expenses, are treated as employees or casual workers. This applies even if the payment is called an honorarium, sessional fee, pocket money or expenses - if it is not genuine reimbursement.

Reimbursement of expenses repays a person for expenditure which:
• Was genuinely incurred [i.e. the money was actually spent]
• Was authorised by the organisation
• Was wholly for the organisation's benefit
• Was necessary for the work
• Is properly documented

Reimbursement that meets these criteria and is allowed by the Inland Revenue is not subject to tax and insurance and should not affect volunteers on state benefits.

It can be made to governing bodies without contravening charity law, unless the governing document i.e. constitution or memorandum and article of association, expressly forbid this.

All *unpaid* volunteers may be reimbursed tax-free without any other implications for:

✓ Travel expenses or mileage to attend committee meetings, training conferences etc. plus related costs such as accommodation and meals
✓ Actual expenditure incurred in the purchase of materials or services required to do the work, such as telephone calls, photocopying, postage etc.
✓ Travel expenses or mileage between home and the place where the meeting/ training /conference is being held.
✓ Actual costs of crèche, childminding or fees for other dependent care incurred whilst carrying out the duties of the committee.

Note   It is good practice for the organisation to have agreed limits on what it will reimburse for meals, childminding and similar expenses.

Reimbursement for mileage is tax-free if it is reimbursed at or below the Inland Revenue mileage rates. These rates depend on the total number of miles reimbursed for the tax year, and are now payable regardless of engine size.

Up to 10,000 mls.	**Over 10,000 mls.**
45p per mile	25p per mile

ADVANCE PAYMENT OF VOLUNTEER EXPENSES
The **Social Security Amendment (Volunteers) Regulations 2001** now make clear that income support, jobseeker's allowance, housing benefit and council tax benefit are not jeopardized if a volunteer receives payment for expenses *to be incurred*. The usual rules apply about having to provide receipts or other documentation, and the volunteer would have to repay the organisation any money not spent on genuine expenses.

Details of all relevant regulations **www.legislation.humso.gov.uk/si/si2001/20012296.htm**.

For more information and up-to-date rates contact your local Inland Revenue office.

Adapted from the Voluntary Sector Legal Handbook by Sandy Adirondack and James Sinclair Taylor published by The Directory of Social Change 2001 ISBN1 900360 72 1

9
Conflict of interests

Harriet was just getting the vacuum cleaner out when the phone rang. Pleased to be deflected from cleaning she grabbed it. However her mood changed with what she heard. Nia, the Treasurer, in something of a panic, told Harriet that Pat, another management committee member, was with her. He was requesting a loan, because his wallet had been stolen, and he had no money for his rent. Nia said he smelt strongly of alcohol and kept repeating he had given a lot to the Community Flat and was entitled to some help because he was desperate; and anyway it was only a loan he wanted. But not quite in those words. Harriet was worried because Nia was usually so calm and capable. 'I cannot see how I can manage to chase up loans as well as be the treasurer? Nia said. 'You cannot give out loans, let alone chase them', Harriet replied firmly, 'it is against the rules and would create a conflict of interests'. She explained how management committee members must not pursue personal gain. 'Right' said Nia, 'I am going to explain that to Pat, suggest he goes home to lie down, and when sober comes to see me at the Credit Union to learn about how to save his money'. Harriet had no other choice than to go back to clearing up the house.

What are conflicts of interests? And how do they relate to loans from the management committee to Pat as a management committee member? Or more broadly to the payment of management committee members? 'Conflict of interests' occur when management committee members have private and public interests that are, on occasions, at odds. Broadly there are two areas of concern.

- o   Pursuit of personal gain: for example, the sister of a management committee member submits a tender to provide the catering for the annual conference.
- o   Divided loyalties: examples are: (i) a management committee member, who is also a local authority counsellor whose authority funds the organisation, takes part in discussions about a high risk strategy and (ii) a management committee member, who is also the governor of a school with whom the charity is working in partnership, negotiates which of the two parties pays for what, and which gets the big print in press releases.

Once again, the overriding principle is the expectation that management committee members will act with integrity, that they will uphold the values and principles underpinning their organisation and will adhere to the rules in their governing document - and therefore will not seek personal gain (or the gain of someone associated with them) at the expense of the organisation, nor put themselves in situations of competing loyalties or interests.

Harriet, having asked another management committee member, Winston, to draft a statement on conflicts of interest, was slightly put out that he came round one evening to discuss it with her. Why, she thought must I be dragged into everything? Winston was concerned because, when discussing the conflicts of interest policy with their local authority Link Officer, she had given him a standard policy for management committee members – off the shelf so to speak. The Link Officer then said she would attend the committee meeting the next day to help convince the management committee to adopt it. Winston, not wanting to foist a standard anything on the management committee, but reluctant to offend the Link Officer, felt caught between a rock and hard place. He left the Link Officer saying he could not do anything without consulting the chair, Harriet. He felt a bit guilty about saying this; he knew the Link Officer would not object because she was not prepared to tangle with Harriet. In his experience Harriet was not as formidable as people thought, but it was useful sometimes that officials were wary of her.

Harriet, in her weariness, said she thought having a policy already written sounded ideal. 'Really?' said Winston in amazement, looking her directly in the eye. 'No!' cried Harriet, 'not now I have thought about it. We will devise one our way. Now this is how we might approach it'. 'Gracious', she thought, 'Winston is just what we need I wish we could clone him!'

Given the importance and complexity of the issues associated with conflicts of interest, management committees cannot just accept a standard or 'model' policy, at least not without considerable discussion of amendments. Moreover, it is essential that new management committee members are given a copy of the management committee's policy - and taken through it - and that the policy is regularly reviewed as part of an annual appraisal of the work of the management committee It is not unusual for management committees to include guidelines on conflict of interests in their code of conduct (Fig 8 provides an example).

Fig 8
Conflicts of Interest

There are two distinct areas, which may cause conflict.

1   If a committee member has a personal interest [e.g. a piece of work which is going out to tender and the committee member is a member of an organisation which might respond to that tender] then that committee member must **declare an interest and must not vote.** In their best interests they should not even speak on the matter. They may decide to leave the meeting for that item on the agenda. Failing to declare an interest would mean the committee member being compelled to resign the position and possibly repay any money gained. The company would also have the right to cancel any contract awarded.

2   With many members being involved in, or representing other organisations, care must always be taken to ensure there is no conflict of interests when taking a decision.

It is vital that all committee members of the organisation are aware of the views and position of the committee on all matters, and that they reflect those views in internal and external meetings

Organisational responsibilities

The organisation must have clear objectives and communicate these clearly to all members of the committee.

Forward planning must be undertaken, and issues addressed strategically, so that everyone is clear where the interests of the organisation lie – or will lie - at any time.

There should be open-ness regarding the interests and involvement of all existing and potential committee members.

There should be opportunity for any member to reveal an existing or potential conflict of interest, without prejudice to that member's involvement with the organisation.

Members' responsibilities

Members must be clear about the objectives, and existing and potential work of the organisation.

They must be open about existing and potential conflicts of interest, and communicate these at the appropriate time.

Members must not use the privileged information that they have by virtue of their position on the committee, to further their own or other's interest, particularly when it clashes with the interests of the organisation.

When issues are being dealt with at a committee meeting, that have potential for a conflict of interest, members must declare this and take no further part in the discussion leading to a decision on that matter.

The above statements can form the basis of a 'code of conduct' on this issue.

10
Code of Conduct

Harriet forced herself to straighten her back and press her feet squarely on the floor. The final battle in the 'Lord of the Rings' has nothing on introducing a code of conduct thought Harriet. She still felt a bit desperate and was relieved to see Winston look at her then glance at Nia. This brought Nia in who delivered a stinging riposte temporally stilling the wall of argument and verbal abuse. Nia skilfully parried the following onslaught of angry protests until brought down by a snide remark about her not really being local. Winston swiftly stepped into the breach and held his ground for a good 3 minutes matching insults and insinuations with information and examples of good practice elsewhere; until tired, he stalled on a question about his personal life. Harriet, rested now said, 'how can members of a grown up management committee not expect all its members, however knowledgeable, to have training on a regular basis? Let she, or he, who knows everything we should know and doesn't need training cast the first stone'.

The code of conduct, with a few amendments, was agreed at the next management committee meeting.

What is a code of conduct exactly? A code of conduct is a basic list of expectations of management committee members that embodies within it the ethics or principles underpinning best practice in behaviour. What should a code contain, and why should debating it cause such dispute and bad feeling amongst the Erin Park Community Flat Management Committee? Put simply such dramas happen because a code of conduct, once accepted, sets standards for the operation of the management committee and its members. If, for example, management committee members agree to attend regular training or ensure their use of language adheres to equal opportunities, then they are committed to doing so. And if members act contrary to the code, not only would they have let down other management committee members, but also there might be penalties (e.g. they might be required to apologise or even resign).

There is no one model of a code of conduct for management committees. It is essential members debate and decide exactly what standards are to determine their practice. Fig 6.2 lists the issues and expectations to be considered in devising, and revising, a code of conduct.

Harriet's management committee meeting might have been a trifle overdramatic but at least no member of the meeting could have missed the significance of the code of conduct or the implications of it for them, as individuals.

Fig 9
Management Committee Code of Conduct

MANAGEMENT COMMITTEE CODE OF CONDUCT

To ensure that all committee members are fully aware of what is expected of them, it is useful set out an agreed code of behaviour. The areas to be covered will be determined by the level of activity normally undertaken by committee members, and by a careful analysis of potential conflict areas.

As well as the actions required by the committee member, it is important to outline the support that the organisation will provide, to allow each committee member to fulfil these requirements. The following may be a useful starting point.

[NAME OF ORGANISATION] recognises its responsibility to ensure proper and ethical governance for the organisation. This code has been compiled to enable you to be fully aware of your responsibilities in carrying out your duties as management committee members.

It is vital that you clearly understand the organisation's **aims and objectives**, and manage the staff, finances and other resources to fulfil these aims only.

The code will help you to be clear about the organisation's **values and principles** and not compromise the ethical stance in terms of funding, partnerships, practices, etc.

To facilitate effective involvement [NAME OF ORGANISATION] may offer:

An effective induction process
Appropriate expenses
Opportunities for professional and personal development
Formal and informal support to carry out your duties

Areas which may be covered

1.   Legal aspects and collective responsibility

2.   Individual responsibilities

3.   Staff - board relationships

4.   Being an Employer

5.   Board meeting protocol

6.   Conflict of interest

7.   Representational meetings

8.   External relationships

9.   Confidentiality

10. Sub-groups

11
The liability of management committee members

Harriet was visiting Mira who had been a member of the Steering Group. Mira had expressed interest in the new management committee, but had then stopped attending planning meetings. Nor had Mira replied to notes and ansaphone messages. During their conversation it became apparent why she had stopped being involved. It seems a friend of Mira's had warned her that if she became a management committee member her house could be re-possessed if the Community Flat got into debt. This frightened her, and as she felt guilty about letting Harriet down, she ignored the messages and notes about meetings. Talking with Mira, Harriet was obliged to control her irritation with the 'friend'. Harriet was aware that, to have a chance of persuading Mira to come back, she had to reduce Mira's anxiety about the financial liability of management committee members. But Harriet was not sure how this might be achieved. As it happened she did not succeed, Mira cut her connections with both Harriet and the others on the committee.

However irritating the influence of the 'friend', it is reasonable for Mira to wonder and worry about the downside of joining a management committee. Put boldly, and without context, the legal expectations, and sanctions, attached to failing voluntary organisations seem scary, especially if there are no arrangements for limiting the financial liability of management committee members. This is indeed the case for unincorporated charities where management committee members could have to make good any debts. Even if management committee members have arrangements in place to limit their financial liability (e.g. by becoming an incorporated organisation) they could still be required to 'pay' for debts caused by their negligence, or breaches of external regulation such as health and safety. These legal liabilities are summarised in Fig 10.

It is best that Harriet does not minimize the reality of what could happen if things go wrong, yet puts the legal role of management committee members into perspective. This means being aware of the following:

- The legal status of the organisation and the implications for liability of management committee members. Is the organisation, in legal 'speak', 'incorporated', e.g. registered as a company limited by guarantee which puts a limit on the financial liability of individual members, should debts occur, or 'unincorporated' one in which management committee members can be personally liable for debts?
- Whether any insurance has been taken out to help cover the liability of management committee members.
- That the best protection from financial difficulties is to avoid them happening. Simply put, reduce all possibilities of spending money you have not got and keep a prudent amount in reserve. This means, amongst other things, knowing the proper ways of organising, (proper accounting for example), and ensuring they are in place. Also being sure to review these systems at regular intervals.
- That no legal structures can absolve management committee members from poor or corrupt practices.
- That individual members are accountable for decisions made by their management committee, whether or not they attended the critical meetings, and also for what comes of those decisions.

Talk of legal liability and financial systems does make the role of management committee members seem awesome. Yet bear in mind that management committee members are not expected to be experts in all aspects of governance; the aim should be for management committees to have access to the full range of skills and knowledge required, either from within its own ranks, or from via staff, or through active use of external contacts.

However, there comes a time in the life of many organisations when the size of their budget, and their responsibilities for their paid staff, require greater assurance for management committee members about legal liability. This is where incorporating, ie registering as a 'company' becomes of interest.

Figure 10
Legal Liabilities of governing bodies

The governing body of a charity has responsibilities and legal obligations, which if breached, can render them personally liable for losses or subject to fines.

Under the Charities Act of 1993, the Charity Commissioners are empowered to take action against committee members to recover monies lost due to a **Breach of Trust.**

Amongst those actions considered a breach of trust are:

- Entering into a new sphere of operations and there is a risk that the activity is outside the scope of the existing objectives.
- Failing to participate in a decision, if this failure reflects a general lack of care in the organisation's affairs.
- Failing to act once a problem has been discovered.

There are also more serious offences, which can incur liability. Such as failing to keep in place employers liability insurance, breaching health and safety requirements, and discrimination against disabled people.

The Un-incorporated organisation

The committee members of an un-incorporated organisation, without the benefit of limited liability, can be at risk when entering into contracts. Unless trading and services contracts specifically limit liability to the value of the organisation's assets, committee members are potentially liable to the full extent of their personal assets, to any third party who sues for breach of contract. The same is the case for claims alleging that the organisation has been negligent. Although committee members are usually entitled to an indemnity from the organisation for any personal loss, this can only be as good as the value of the organisation's assets. If the organisation has insufficient funds to meet a claim, the third party will normally look to the individual personally for the balance.

The incorporated organisation – charitable company

The directors of a charitable company have much greater protection regarding claims made by third parties. Generally a director is not personally liable for debts or other obligations of the charitable company, as this company has a legal identity of its own and claims would be pursued against the company, not the individual. However, directors of charitable companies limited by guarantee, must also comply with the responsibilities under Company Law.

For example directors can be held to be liable if the organisation becomes insolvent and they are judged to have failed to take all reasonable steps to minimise the losses of creditors. Directors who breach these duties may find that they have to compensate the company AND be fined for the offence.

REMEMBER:

Personal liability for breach of trust should not be a major concern for the majority of committee members who carry out their duties honestly and reasonably.

> 'If trustees act prudently, lawfully and in accordance with their governing document then any liabilities they incur as trustees can be met out of the charity's resources.'
> ('Responsibilities of Charity Trustees', The Charity Commission)

12
Becoming incorporated – or not?

At the beginning of the management committee meeting the Link Officer (from the local council) said she wanted to speak to an item under 'Any Other Business', at the end of the agenda. Winston asked whether it was a major item or not, because if it was it ought not to be left to the end of the meeting. The Link Officer said it was important and went on to say the management committee ought to seriously consider becoming 'incorporated', i.e. a company limited by guarantee. Harriet checked her annoyance at this and told the Link Officer she could have 20 minutes after the third item on the agenda. When the time came the Link Officer said she understood being 'incorporated' meant that, should the flat get into debt, management committee members would not longer be personally liable. Warming to her topic, she said lots of management committees were doing it, and in doing so, were no longer just management committee members, but directors! Harriet was unimpressed, and about to say so, when Nia, the Treasurer, said very firmly that a debt was a debt and had to be paid somehow. And, Nia added, what is so special about being a 'director' anyway? There followed something of a stalemate, so Harriet suggested they get more information and advice, and then debate the advantages and disadvantages of becoming an incorporated charity at a special meeting.
'What price limiting personal liability?' Harriet wondered. 'Even if the Community Flat was to 'incorporate', was this the right time to do so?' Harriet realised that she had to separate the proposal from the person who made it - it might well be a sensible idea despite her prejudice against the Link Officer!

What is an incorporated organisation? What does this have to do with becoming a company limited by guarantee? And what might be the gains and losses for the Community Flat of changing from unincorporated to incorporate status? (Fig 11 summarises the key points for an organisation like the Community Flat to think about).

Perhaps it is useful to go back to basics. In legal terms having charitable trust status means that the organisation (e.g. the Community Flat) is regarded as a collection of individuals – it's members, and not as a legal entity in its own right. In most cases the implications are that the organisation:
(i) cannot acquire property in its own name; property must held either by individuals or by another incorporated organisation (e.g. the local council);
(ii) cannot take legal proceedings in its own name – it can only do so through individuals acting on its behalf and,
(iii) individual members of the management committee can be held personally responsible for the organisation's obligations and debts.

 As an organisation develops, especially when it becomes necessary to hire staff or take on responsibility for property, it is wise to consider becoming incorporated. Why? It is a bit like a couple getting married instead of living together. By incorporating - e.g. registering as a company limited by guarantee – Harriet's organisation would have legal identity distinct from that of its members. It could therefore: buy and sell property in its own name: conduct legal proceedings in its own name; and go some way to protecting individual management committee members from personal liability.
Why might Harriet's management committee choose 'company limited by guarantee' as a means to incorporate? Largely, because it is a convenient legal structure for organisations whose aims are for social benefit. A company limited by guarantee is an organisation operating under company law that re-invests any profits in the company – as opposed to paying dividends to it's shareholders. All members, including those who only come to annual general meetings, must guarantee to pay a nominal sum (usually £1 or £5) if the company becomes insolvent - hence the term 'limited by guarantee'.

By becoming a company limited by guarantee, the liability of individual members - those who have the right to vote at annual general meetings - would be almost totally protected (beyond paying their £1or £5), whilst the management committee (known in company law as directors) would generally incur no personal liability as long as they acted within the law, carried out their statutory duties, and did not act in breach of trust - and as long as the organisation itself did not operate whilst technically insolvent. What then is the price to be paid, for the advantages of incorporation? Registering as a company requires the organisation to (i) establish itself as a 'new' organisation (the company) and wind up the

'old' one, (ii) keep a register of members, (iii) submit a register of management committee members (i.e. directors) and annual accounts to Companies House and (iv) appoint a company secretary to assist the management committee in complying with company law.

A not-insignificant feature of becoming a limited company is the requirement that the organisation must have a membership, which usually has the powers to elect and remove management committee members (i.e. directors). The rights and responsibilities of members, and directors, are laid out in the governing document of the limited company. This consists of two parts: the memorandum of association (for example company's aims and powers) and the articles of association (for example the company's rules for electing the management committee and the keeping of accounts).

What should the Erin Park Community Flat Management Committee do? Well, they are not responsible for paid staff, or property, nor have they plans to expand in the near future. On the other hand, there is a membership, with powers to elect and remove management committee members, and no little concern amongst management committee members about their personal liability for any debts.

It is vital that the ultimate decision about whether or not to incorporate is based on
  (i)   sound information
  (ii) (ii) competent guidance
  (iii) attention to what is best for the organisation in the long term as well as the short term.

The management committee did indeed discuss the pros and cons of incorporation. It took two special meetings to come to a final decision. Harriet tried for a consensus but in the end settled for a majority vote on the understanding they would review the matter next year.

What was the conclusion? Nia's position won the day. Becoming 'incorporated' was a step too far. The Flat had no paid staff, and the local council had legal responsibility for it. Perhaps the requirements of becoming incorporated would be more worthwhile when, and if, the Community Flat was run by paid staff. And anyway, Nia had argued, surely acting according to best practice was a healthier way of protecting themselves than adopting a whole new legal structure!

Winston noticed that not everyone on the management committee took an active part in the discussion; he had the impression some of them were a bit over awed by the subject. Perhaps it would be sensible to do some confidence building before the management committee re-visited the issue in twelve months time.

Harriet wondered sadly if her friend Mira would have reconsidered her resignation from the committee if they had arranged to limit the financial liability of management committee members? It was not always easy mixing friendship and volunteering.

Figure 11
Unincorporated charitable association or Company Limited by Guarantee?

The former is the most common form, and the latter is often introduced when organisations become larger, more complex, and enter into more onerous commitments.

The essential difference is that an unincorporated association is not a legal entity, but a group of individuals. Incorporation gives a legal identity to the organisation itself.

The unincorporated association is governed by a constitution - which must conform to charity law requirements if holding or seeking charitable status. It is suitable for small organisations, those with no property, leases or other undertakings, have limited purposes, and few or no paid staff

Advantages
- cheap and quick to set up if legal advice is not needed
- can be cheap to run
- no annual registration formalities

Disadvantages
- no legal identity, so can't enter into contracts, hold property etc. in its own name
- management committee members are jointly and separately liable for actions done by or on behalf of the management committee

Note: management committee members of charities also have enforceable responsibilities under charity law.

In a company limited by guarantee, the governing document is called the Memorandum and Articles of Association, and the structure is suitable for expanding organisations, which may be taking on significant numbers of staff, major commitments and contracts – such as entering into property purchase or leasing.

Advantages
- **security** - members' liability is limited -often to £1- [but directors can be held personally liable if they fail to comply with charity law, or do not follow company law rules whilst the organisation is, or will inevitably become, insolvent].
- **convenience** - the organisation can hold property, borrow money, enter into employment, service and other contracts in its own name.

Disadvantages
- **expense** - legal costs of setting up [can be several hundred pounds] registration, and annual filing fee, which is £15 on the web and £30 in paper.
- **work** - in setting up, including drawing up memorandum and articles; ongoing record keeping; setting up and maintaining registers, submission of annual returns to Companies House; notifying any other changes of director and company secretary to Companies House.

Figure 12
Becoming a company limited by guarantee

When a **new organisation** opts for incorporation, this is established through registration with the Registrar of Companies at Companies House. As part of the incorporation procedure, several **documents** must be lodged with the Registrar of Companies, the Memorandum of Association and the Articles of Association, [the company form of organisational constitution], company forms 10 and 12, and company form 30 (30)(5) if the organisation is not going to use 'Ltd.' as part of its name. There is an initial incorporation fee payable to the Registrar and also an annual cost in being a company. It is advisable when drafting the memorandum and articles of association to **consult your professional adviser**.

When an **existing charitable organisation** decides to change its status and become a company, the same procedure is followed to create a complete new body. Then some or all of the assets and undertakings of the existing charitable body are transferred to the new company. When the assets of the existing organisation have been transferred, the existing organisation is usually wound up. This whole process must be carefully handled and any organisation contemplating changing status should **obtain appropriate professional advice.**

The provisions of the Companies Acts are applicable throughout the UK, and there are implications for the way accounts are presented and an Annual Return to Companies House must be made.

1   Ensure that all members of the organisation are aware of, and support, the proposed structure, and get their formal agreement to proceed.

2   Draw up the memorandum of association, which specifies the objects [i.e. what you plan to do], and the powers that the governing body will need to carry this out.

3   Draw up the articles of association, which is essentially the internal regulations of the company and regulate such matters as the convening and conduct of meetings and appointment and removal of directors.

Do not try to create a memorandum and articles from scratch. Use a model from a Council of Voluntary Service, to help to focus and ensure that all categories are covered. However, be sure that certain categories, such as membership, conduct at meetings, how you elect management committee members etc. are discussed fully and accurately reflect what is right for your organisation.

It may help to involve an external person to help you to decide what you want in your governing document. This can be a skilled member of a similar organisation, or a consultant experienced in these matters.

After the memorandum and articles has been drafted, it should be agreed by the members of your organisation. It is then sent to Companies House with the registration documents, and then to the Charity Regulator.

Although the 1985 Act seems daunting in its scale and complexity, it has a clear structure, which can be followed easily. It starts out by detailing how a company may be formed and then sets out provisions, which regulate most of the key activities the company may undertake.

13
Members and memberships

Eric, a retired teacher, had until recently been very active in his local carers' support group. No longer required to be a carer, he was keen to be more involved with local community organisations. Indeed the more he thought about it the more he realised the strength of his feelings about how run down Tinburne had become over the last 10 years. Moreover he wanted to be part of the fight to improve it. So he was very interested to read that the management committee of the Tinburne Coalition for Community Organisations) – a local umbrella body for community organisations – had put an advert in the paper asking for volunteers to put their names forward for election. He decided to apply.

When drafting his letter to TCCO Eric realised why a little knowledge was a dangerous thing. He understood from the TCCO information pack that he had to be a member of the 'company' prior to putting himself forward for election. Only members of the organisation could be management committee members. This seemed reasonable to Eric - except he was not sure what being a member meant; and the more he considered this, the more muddled he became.

He was a member of his housing co-op (active), had joined the Green Party (inactive), was a member of a couple of local clubs (stick insects and bowls – both inactive), and a 'friend' of the local hospice; in addition, he was in the process of deciding whether or not to join the Credit Union. How was 'membership' or being a 'friend' the same or different for these different organisations? He mentioned this seeming plethora of memberships to his neighbour - largely in jest – only for her to list a positive surfeit of them, 15 at the very least (she was very keen on military history). Eric, shaking off a vague sense of competitiveness, returned to his original question. What does being a member mean? Clearly it was crucial that he understood what was involved in signing up with TCCO. It also matters, Eric suddenly thought, that carers joining his local group knew what they were doing, and he was not sure they did. He realised, guiltily, that he had often told new members that they were joining a club, and now he was not sure what that meant either.

It would be interesting to find out if the TCCO information pack, for potential management committee members, described what it means to be a member of the organisation, as well as a member of their management committee. Regrettably not all organisations have this information to hand, nor are all management committee members themselves sufficiently aware of the rights and responsibilities of their membership (if there is one of course).

Indeed the very terms 'member' and 'membership' are imprecise and are often used rather vaguely. There are a number of different ways of defining 'members' in voluntary and community organisations, and indeed one person could be in more than one category at the same time. For example, a carer in Eric's group could be a user member, a member of the organisation or company (if it is one), and a member of the management committee! And each of these different kinds of membership has its particular, sometimes potentially conflicting rights and responsibilities. (For example, a user member who is also on the management committee may experience a conflict of interests). It is important that people are clear what to expect from each different membership role and are trained and/ or supported in carrying out the roles.

In the governance of voluntary and community organisations, there are – both management committee members *and* two types of members of the organisation: (i) those who have the right to vote and (ii) those who do not. And where members have the right to vote it is useful to distinguish between organisations that have members, – whose primary purpose is charitable - and membership organisations – existing for the benefit of the members - like trade unions and co-operatives.

When working out the nature of membership there are three broad areas to consider.
- **Legal and organisational structures**. Registering as a charity does not in itself require an organisation to have a membership (see chapter 4) – although the requirement to have a membership and to elect trustees (management committee members) can be written in to the trust deed. An incorporated organisation <u>must</u> have a membership, which usually has the power to elect, and remove, management committee members (see chapter 12). Eligibility for membership, the rights and responsibilities of members, and the procedure for terminating membership should be defined in the governing document.

- Function. It is wise for an organisation to select the legal form that is most consistent with its values and purposes. Hence it would make sense for a self-help group to have a structure based on its membership, and to use this structure to involve and empower members. It is bad practice, even unprincipled, for an organisation to have a membership, and yet to its treat members as an administrative inconvenience. If an organisation has members they are part of the governance, and have responsibilities and rights and these have to be understood and safeguarded.

- Motivation. Whatever the organisational structure, each member brings their own individual perspective to their membership. As with Eric and his membership of the Green Party, lots of people join organisations as members but choose to be inactive - they merely want to demonstrate their support. In other situations, being active or inactive matters, either to the individual - for example in the case of a member of a self-help group such as Alcoholics Anonymous - or to the organisations - for example when key principles or policies are being decided (as in the case of the RSPCA debating their position on the issue of hunting for dogs).

What about 'Friends'? 'Friends' of an organisation can be another name for non-voting members, people external to the organisations, who wish to demonstrate their support (and thereby receive newsletters etc.) and who do not have a formal role in the governance of the organisation. 'Friends' can sometimes be constituted as a separate legal entity but may be tied into the organisation by having committee / board members in common.

As it happened Eric did not get any clearer about what it meant to be a member of TCCO but he joined anyway, and in time became a member of the management committee. He decided to volunteer on the basis of commitment and trust, overlooking the inadequacies in the organisation and hoping he would not suffer as a consequence.

14
Talking about Governance

Eric was a newly elected member of the TCCO (Tinburne Coalition for Community Organisations) and, to show willing, volunteered to go to a workshop on 'Disclosure' – which he understood to mean checking to see whether volunteers or paid staff had criminal convictions. He was travelling by train to the workshop when he got into conversation with the man seated next to him. Eric found himself trying to explain the job of a voluntary sector management committee to the man who ran a small printing business. Eric was distracted by the train being late and was not that clear. The business man's retort that a management committee sounded like a 'right load of amateur do-gooders', and that if 'he ran his business like that his firm would be bankrupt by now', left Eric feeling not a little hurt. But he had to agree that the activities of a management committee as he had described them all sounded rather vague and impractical. Eric wondered if it might not be a good idea to produce a 'good practice guide', which would make the management committee's role clear and comprehensible even to cynical people in trains.

The opinions of the businessman apart, the job of a management committee can seem vague, and references to such concepts as 'governance' and 'accountability' do not necessarily help. A written brief or remit would help to get a handle on the role but even better would be a best practice checklist of activities and expectations. A useful first step might be to break down what 'governance' actually means for management committees of small charities. The following table summarises a management committee's key functions together with related activities and tasks.

Governance – key functions, activities and tasks

Function	Activity	Tasks
Accountability	Ensures (i) reports to key stakeholders on the work and use of resources (ii) adherence to regulatory requirements, (e.g. data protection, disclosure, health and safety)	Identify what information is required, by whom and in what form. Set up systems for collecting, assimilating and disseminating information; implementing and reviewing regulatory procedures
Strategy	Participates in reviews, assesses information + decides direction; ensures action planning and framework for progress chasing – all within the framework of core values and charitable objects.	Decide cycle of review and forward planning; clarify roles and responsibilities; implement pattern of developing and reporting; use outside consultants for occasional evaluation studies
Monitoring and evaluation	Ensures framework for gauging results of organisation's activities; defines quality standards and approaches to maintaining them	Agree programme, e.g. how, when and in what form, and how reporting is to happen; lay down framework for devising, using and reviewing quality standards
Obtain resources	Ensures sufficient income and resources are available – including both overseeing and participating in fund-raising.	Discuss, decide and implement plans for fundraising / obtaining core resources (e.g. IT); review use of resources as part of strategic planning process
Finances	Ensures proper systems for organising and accounting for money – and for assessing and managing financial risks are in place	Institute procedures for processing income and expenditure- including reporting schedule; set up checks and reviews.
Employing volunteer and paid staff	Decides framework for staffing and ensures best practice in hiring, support and supervision & training them; ensures key personnel policies are in place	List and oversee development of procedures and policies necessary for managing staff; review procedures and update as required
External liaison	Decides direction and focus of links and liaison with key organisations and networks	Ensure clear expectations for formal and informal liaison – including patterns of reporting and place in strategic planning; review and develop as required
Relationship with users and members	Ensures clarity in relationship between themselves and the members; accounts to members as required; devises and implements framework for involving / empowering users and clients	Enact expectations of committee's responsibilities towards members – including evaluating effectiveness; devise, action plan and review approaches to involving/ empowering users and clients

However, although this table spells out the functions and activities of a management committee it would probably not appease Eric's travelling companion. How would a management committee know if they were carrying out effective 'governance' and not acting like bungling amateurs?
Two approaches exist to tackle this crucial question:
- ▪ 'Good health' checklists on the effective functioning of management committees;
- ▪ 'Quality standards' packages that include sections on the work of management committees.

[See section4 for ideas on materials and how to obtain them]

Both these approaches are useful tools for management committees to use in reviewing and evaluating what they do and how they do it. Either approach could form part of a management committee's annual review or appraisal (see chapter 23), or act as a guide for the induction of new management committee members, or as the basis for a programme for developing the management committee.

Disclosure and data protection

Keeping up with all the regulations, policies and procedures required of management committees, and their organisations, is no light matter. But it is essential to effective governance, and it can be done - provided that management committee members have the necessary resources. Two examples might be the regulations on Disclosure and Data Protection.

Eric got to the 'Disclosure' workshop just in time. With the encounter on the train fresh in his mind, Eric was less than delighted when he was required to fill in a checklist on policies for effective governance. But he was cheered to find that TCCO was not doing too badly on developing and implementing key policies, especially data protection.
However, two women next to him looked quite unhappy so he sought them out during the break. They were both from a local self-help group for parents whose children were in the care of the local authority. Eric, wondering if the women did not understand about police checks on their volunteers, began to explain the regulations on obtaining disclosures. One of the women patted his hand warmly, gave him a big smile, and told Eric he had completely missed the point. The problem was that the regulations seem to assume that they had access to a computer to help keep information accurate and up to date, which was not the case. Eric was privately not sure they needed a computer and suggested they got advice.
By the end of the training, Eric realised he had not being paying full attention to the speakers, but he had worked out where the women could get a grant for a computer together with the training to use it. The women were grateful for his ideas and said they would follow them up. As they left the hall, one of the women turned round and said to Eric that, since his mind had been otherwise engaged after the break, should he need help with any of the 'Disclosure' regulations, to just ask and she would talk him through them! 'Cheeky hen!' said her friend.

Disclosures (criminal checks on volunteer and paid staff) and data protection (the regulation of the use of personal data) are but two of the recent legislative requirements which demand management committee time and attention. Figs. 13 and 14 provide a brief description of these regulations. Information on how to follow up on these requirements is in section four.
It is a credit to the TCCO management committee that they had authorised Eric, as a member of the management committee, to attend the workshop, and it was not just left up to staff to fulfil the governance function of ensuring legal compliance.

Figure 13: Data Protection

The Data Protection Act 1998 regulates the use of personal data ie living and identifiable individuals, [which may be as basic as a name and address] and requires those using personal data, to notify the Information Commissioner so that the processing and management of this data may be regulated.

The Act gives rights to individuals, who are called data subjects to know what information is held about them and to prevent this information being passed to 3rd parties.

Maintaining the Data

Those who control the purpose and manner of processing personal data, called the Data Controller, are required to be open about the use of that information and follow sound and proper practices. If you use personal data [e.g. a mailing list], some-one in your organisation must be designated the Data Controller, to manage and oversee the proper use of the data, using the following principles.

- Process personal data fairly and lawfully.

- Obtain personal data only for one or more specified and lawful purposes and to ensure that such data is not processed in a manner which is incompatible with the purpose or purposes for which it was obtained.

- Ensure that personal data is adequate, relevant and not excessive for the purpose or purposes for which it is held.

- Ensure that personal data is accurate and, where necessary, kept up to date.

- Ensure that personal data is not kept for any longer than is necessary for the purpose for which it was obtained.

- Process personal data in accordance with the rights of the individuals to whom the information relates.

- Ensure that personal data is kept secure.

- Ensure that personal data is not transferred to a country outside the European Economic Area unless the country to which the information is to be sent ensures an adequate level of protection for the rights (in relation to the information) of the individuals to whom the personal data relates.

It is also necessary to have adequate security precautions to prevent loss, destruction or unauthorised disclosure of the data. This will include provision of back-up files and recovery programmes for data held on computer.

Notifying the Commissioner of your practices

The Information Commissioner needs to know certain details about the organisation including the types of information you hold and the purposes for which you process personal data. These details are entered into the public register of data controllers which is maintained by the Information Commissioner.

A fee is charged for each notification and for the annual renewal of the notification. Not all data controllers are obliged to notify the Information Commissioner of their processing. Exemptions from notification do apply in certain instances.

For more information, including details of exemptions, contact: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF 01625 545 745 or see www.informationcommissioner.gov.uk

Figure 14

Disclosure

Employees and volunteers, who will be working with children or vulnerable adults or in other sensitive situations, are subject to information about them being disclosed to the employer.

THE LAW

Amendments have been made to Part V of the Police Act 1997 to introduce a new system of disclosing criminal history information. Obtaining Disclosures is not compulsory under this Act, but some checks may be compulsory under other relevant Acts.

As employees can refuse to provide a Disclosure, requests for Disclosure must be made clear to the candidate as a condition of employment. However, under the Rehabilitation of Offenders Act (ROA) 1974, unless exempt, an employer may not ask prospective employees if they have "spent" convictions during the recruitment process, and a candidate is under no obligation to reveal "spent" convictions.

OBTAINING THE DISCLOSURE

There are 3 levels of criminal checks, after which a Disclosure will be issued.

The Basic Disclosure
You will be free to ask prospective employees/volunteers to obtain a Basic Disclosure, which will show convictions which are not "spent" as defined under the Rehabilitation of Offenders Act 1974.

The Standard Disclosure
Disclosed for positions that involve involvement with children or vulnerable adults

Enhanced Disclosure
Disclosed for situations where people will have a high degree of unsupervised involvement with children or vulnerable adults, which *will* include "spent" convictions.

A Standard or Enhanced Disclosure will only be available for positions which are listed in the Exceptions Order (1975) to the Rehabilitation of Offenders Act 1974.

The Bureaux, will provide criminal history information on anyone seeking employment or voluntary posts which involve positions of trust such as working with children, young people and vulnerable adults.

The original plan was to introduce the new service in January but Scottish Ministers have decided to defer introduction until April in line with the introduction of a parallel service in England.

The Scottish Executive and SCRO have produced an information brochure to assist organisations in meeting their obligations under Part V of the Police Act 1997. More information on the Disclosure process can be found on Disclosure Scotland's website

CRB Information Line on 0870 90 90 811
Disclosure [England and Wales   www.disclosure.gov.uk

Disclosure Scotland   www.disclosurescotland.co.uk.

How does the Disclosure process work?

It is intended that organisations will request a Disclosure after a provisional offer of employment or volunteer post is made to a candidate. The individual will then apply to the CRB for a Disclosure. For Standard and Enhanced Disclosures, there will be a requirement for the application to be countersigned by a Registered Body (any employer, organisation or individual who is entitled to ask exempted questions under the Rehabilitation of Offenders Act 1974). The original Disclosure will then be issued to the individual and a copy sent to the Registered Body.

In the case of the Basic Disclosure, when it becomes available, the individual will be able to apply directly to the CRB and the Disclosure document will be sent to the individual only. Registered organisations must comply with a code of practice, under which:

- **Disclosure information must be used fairly.** Organisations must operate a policy on the recruitment of ex-offenders, and should not discriminate against candidates on the basis of unrelated offences.

- **Disclosure information must be handled properly.** Organisations must ensure that the information is accessible to and seen by only those who require it to make recruitment decisions. After that decision is made, the disclosure information should be destroyed.

- **The CRB code of practice must be followed.** Organisations must cooperate with checks by the CRB, and must report any suspected malpractice.

15

Being an employer

Althea is a new management member of Milton Open House and a member of their staffing sub-committee. MOH – for homeless young people – has only recently obtained sufficient funds for a full staff complement, i.e. 4 staff and a Project Leader. Althea is familiar with employment procedures, as she works in the personnel department of an insurance company, but she is not sure what is expected in a small voluntary organisation. Although other management committee members have experience of employing paid staff, Althea thinks she would be more confident if they had an employment specialist on the staffing sub-committee. However, she is not sure how the Project Leader, Judi, will react to this, as advising the sub-committee is part of her role.

'Is it worth upsetting Judi just so that I can feel a bit more confident?' Althea wondered. 'No' she decided' I am over-reacting, it's my anxiety speaking. I just need to take my time to learn more about Milton Open House, and how employment works in voluntary organisations. Being a perfectionist isn't always a blessing! The MOH staff have a good reputation, otherwise I wouldn't be involved. It is just that employing people is complicated and the procedures have to be got right'.

Althea is right - employing people is complex and ensuring they are well supported and work effectively is a major part of the function of a management committee. Taking on paid staff is a major step in the life cycle of an organisation. Employing paid staff means two things: -
- broadening the responsibility of the management committee to incorporate being an employer;
- delegating much of the day-to-day running of the organisation - and some of the decisions-making to paid staff.

What follows is concerned with the first of these two changes. The implications of the second, i.e. delegating is covered elsewhere.

Altheas, and her fellow management committee members, need to know that they collectively as employers are responsible for ensuring the following:
- o Paid staff have work to do, i.e. that there are activities and projects planned for the future sufficiently well funded for people to be employed to carry them out.
- o Employment policies and processes are developed according to legal standards, and put in place, these will include: contracts of employment; conditions of employment - including fair pay and access to holidays; job descriptions; equal opportunities; grievance and discipline; anti-bullying and harassment; and whistle blowing.
- o Paid and volunteer staff have regular one-to-one or group meeting s focusing on them and their work (often called 'supervision) and annual reviews (or called 'appraisals'). Both supervision and appraisal should include discussion about development and training needs and deciding action plans.
- o Money is available for training and development of volunteers and paid staff, for instance by, making sure the funds required are budgeted for in funding proposals. Checks then carried out to ensure the money is taken up and put to good use.

It is easy enough to list what is expected of management committees as employers, but not so easy to take it all on board and be confident about carrying it out. Many management committee members worry about this aspect of their role. Common concerns are:
- Getting to grips with the technicalities of employment law
- Being responsible for paid staff when the management committee is in reality largely dependent on them for information and support.
- Getting it horribly wrong and being taken to an Employment Tribunal

Despite these very real concerns management committee members often do manage staff, and very effectively! Indeed prior to taking on paid staff, many management committees have already begun to learn how to manage people – their volunteers. But there are crucial differences between paid and volunteer staff in the eyes of the law.
- Paid staff are employees and receive all employment rights.
- Volunteers are _not_ employees, and should not be treated in the same way as employees to avoid them gaining employment rights where you do not intend this.

This is a very complex topic, and for a full discussion see:
'The Voluntary Sector Legal Handbook' by Sandy Adirondack & James Sinclair Taylor

However in day-to-day practice, the principles underlying your relationship with both paid employees and volunteers remain broadly the same. These include the following: -

- Be fair – ensure 'natural justice' (i.e. everyone should be given the opportunity to be heard)
- Keep communication open and yet respect confidentiality
- Invest in sustaining and developing your staff's motivation
- Always expect best practice, and make sure it is properly resourced
- Value accountability; ensure that staff report to the management committee on a regular basis.

If you are at all confused find someone to help you and be guided by them. But <u>do not</u> be tempted to take employment policies off someone else's shelf! Management committees need to assure themselves that they understand their employment policies and that the procedures make sense in terms of their particular organisation.

And once again if you need expert advice, ask for it. Althea is quite right to believe that a specialist in employment procedures might be a welcome and useful contributor to staffing sub-committee meetings; she might even find that Judi, the MOH Project Leader, would agree to this arrangement and be glad to organise it. As a starting point, for Judi, might consider following up the information listed in fig 15.

Disciplinary and grievance procedures

Althea had just finished correcting the punctuation in the third draft of her firm's new procedures for managing misconduct and wondered how disciplinary and grievance procedures applied to voluntary organisations. At the insurance company, these procedures involved many more layers of line management than existed at MOH. Althea knew that Judi, the Project Leader, was required to keep the management committee informed of personnel problems. But if an appeal was necessary, how was that dealt with? Members of the management committee could hardly be described as 'neutral' in these circumstances. She decided to bring the matter up at the next staffing sub-committee. She was finding it very interesting implementing employment procedures in two such different organisations. But then she was distracted by further thoughts on this matter by a sentence she had missed, in the draft she had been correcting, the second clause of which lacked a verb.

In the ordinary life of an organisation, the relationship between the management committees and their volunteer and paid staff is rooted in respect and mutual support – albeit with moments of irritation and misunderstanding. In most cases people do what is expected of them well, and with commitment. But there are times when this not the case when the behaviour of staff, or of management committee members, is such that formal procedures are required to manage the difficulties. It is important that the approaches taken are designed to achieve the best possible outcome both for the organisation and for the individual(s) concerned, and that they are in accordance with legal obligations. This could mean implementing the organisation's *disciplinary procedures* – formal processes concerned with a staff member's capacity or conduct, or its *grievance procedure* – usually initiated by a formal complaint by staff member about the management committee or one of its members or about another member of staff.

The framework for these procedures is shaped by the legislation on employment and applies to a wide variety of work places. Althea is struck by how these procedures can be applied in such diverse organisations as a large insurance firm and a small voluntary organisation; and she is right to be concerned about the way appeals are conducted in small organisations. The appeals process requires an objective point of appeal for both discipline and grievance procedures, usually at the level of the management committee. Yet how can management committee members who are familiar with the manager's views on staffing issues be sufficiently neutral and even-handed, to sit on an appeals panel? A way of managing this dilemma is for the management committee to appoint a 'standing' disciplinary/ grievance panel (to be activated when required). Once disciplinary/ grievance proceedings have started, when the management committee is to be updated on the issues, the members of this leave the room.

It is vital, because of the dilemmas involved, for management committees to decide, well in advance, exactly what is to happen in these difficult circumstances – and to ensure new members are made

aware of the proper procedures at their induction. It is too late to sort out the details of disciplinary and grievance procedures when they are actually required. Unfortunately management committees sometimes avoid talking about these difficult topics, and do not always put the necessary procedures in place. Failure to sort out proper employment procedures can be costly if an employment tribunal (an external statutory body and point of appeal), finds against the organisation – and if proper procedures are not in place and properly adhered to this can indeed happen. (See the ACAS website for excellent guidance on these matters and sample policies (details in 4.2)).

While we are on the subject of this difficult aspect of being an employer, how do disciplinary and grievance procedures affect volunteers?

Volunteers and employment practice

The morning after the staffing sub-committee meeting Althea awoke thinking 'what about volunteers?' She knew something was missing from the programme of work agreed by the sub-committee the night before. She had read in the MOD staffing sub-committee guidance notes that '*volunteers should not be overshadowed by the requirements of employing paid employees*'. Althea was aware that the legal situation was very different for volunteers, but was not sure why, or in what way. She thought it made sense because volunteers were not entitled to benefits such as paid maternity leave; yet surely it was only fair that volunteers should have access to procedures for expressing grievances. 'But how do you discipline a volunteer?' she wondered; then she laughed. After all, she was a volunteer too; what ever was decided upon for MOH volunteers would also apply to her!

In employment law, volunteers are neither employees nor self-employed. Genuine volunteers are not covered under employment protection legislation - apart from Health and Safety. It is, however, good practice for volunteers to have procedures not unlike those for paid staff. And as volunteers are not quasi-employees, but vital and unique contributors to their organisation, groups like Althea's staffing sub-committee should consider providing their volunteers with procedures that are more than just watered down versions of those for paid staff.

With volunteers it is important to avoid using the formal language of employment, e.g. 'contract', 'discipline' and 'dismissal' and instead to consider the 'gift of time and commitment' that volunteers make. Volunteer policies might talk of 'appreciating attendance on a weekly basis' rather than 'asking' or much less demanding such attendance. This approach both suits the more informal ethos associated with volunteers and ensures there is no muddle about whether a volunteer is actually a sort of employee.

However 'informal' does not mean 'vague' though! Volunteers – like other contributors to organisations - need clear policies to support them, which should include the following elements.
- A volunteer agreement – a clear statement of expectations, terms, rights, responsibilities and benefits;
- A complaints procedure – steps to be taken if the volunteer has concerns about how they are treated or their working conditions;
- Unsatisfactory work procedure – steps to be taken if the work or attitude of the volunteer is problematic.

And as Althea realised, management committee members are volunteers too, and what is good for one kind of volunteer might be usefully be considered for the other.

Figure 15
BEING A GOOD EMPLOYER

A large number of people who serve on management committees often find the idea of being the employer somewhat daunting. Although it is vital that relevant legislation is understood and followed, it is just as important that the relationship between employers and employees is promoted.
The following are areas to be considered when developing the relationship.

Make sure your organisational values are followed

- Be honest
- Be fair
- Treat staff and volunteers with respect

Encourage positive and professional behaviour

- Develop policies and procedures – and follow them!

- Be aware of law and legislation – and stay within these limits

- Be realistic about what you can promise staff

- Work together as a team, share tasks and keep each other up-to date

- If you need information or support – remember to ask!

Make sure you know your responsibilities

- You may not discriminate directly or indirectly, on the basis of sex, race, age or sexual practice.

- You must abide by the terms of employment contracts and conditions of service.

- Ensure that relevant legislation such as Equal Opportunities, Health & Safety at Work influences your operations.

- You must ensure that:
  - There is a safe and healthy working environment
  - staff have clear contracts and conditions of service
  - There is employers liability insurance
  - Staff are given their right to appropriate time off
  - Staff are paid at the correct rate and on time
  - PAYE and IRNIC are properly handled
  - There are active structures for support and supervision
  - Dismissal is for fair reasons and carried out fairly

There are excellent sources of information and guidance available, dealing with general areas of employment practice, and specifics such as grievance and disciplinary procedures, managing absence, appraisal etc.

Details will be found in the section on sources of help and guidance.

16
Recruiting and Retaining Management Committee Members

Sally, a friend of Althea's from college, rang her for information on how to recruit management committee members. Sally had twins who were both autistic and she and a couple of other mothers had set up a self-help group in their village. They had been promised some start-up money from the local Health Board and were in the process of registering as a charity. But it was really too much work for the two of them, and anyway the local Council of Voluntary Service said they ought to have a proper management committee. Although a couple of people were interested Sally was not quite sure of the right way of bring them onto a management committee. Althea agreed to get hold of some literature and bring it over.

Althea and Sally decided there were seven steps to consider when recruiting for new members for a management committee:

- Be very clear about the constitutional position of management committee members, especially once it is past the steering group phase. How do people become members: – is it by election or appointment, or indeed a combination of both? (see chapters 4,12 and13).
- Be sure to identify what specifically is wanted of individual management committee members – including time commitment, principles, knowledge and skills;
- Write a (i) a role remit and (ii) a specification of what qualities and attributes are (a) essential and (b) desirable in new members. And do so with the importance of diversity and equal opportunities principles in mind.
- Think of as many ways as possible for reaching potential members – including advertising in local papers, and professional journals and putting up notices on notice boards in local centres, surgeries and firms (Fig 16 provides a typical example of such an advertisement)
- Discuss motivation with potential management committee members. It is essential that when people join the management committee they (i) are absolutely clear about the purpose of the organisation, (ii) share the values / beliefs that underpin the work and (iii) understand the basics of what is expected of them as management committee members. Talk with them about incentives and disincentives. Being on a management committee has to work for them. Find out what is important to them, what is essential to their getting satisfaction out of their involvement? What would they find difficult? What are their hope and fears about the work of the organisation and being on a management committee?
- Give potential members a basic information pack (Fig 17 is an example of what might be included in the pack). Consider running a workshop for them, or having them sit in at a management committee meeting and discussing their impressions with them afterwards.

If new management committee members are appointed by existing members, (as opposed to being elected), it is important to ensure (i) that the criteria for selection are clear, (ii) that the criteria match the role remit for the management committee and the specification (see point 4 above), and (iii) that the process of matching applicants and criteria is open and can be accounted for.

Where possible let the applicants know your decision as soon as possible.

Now, these formal steps could feel cold and unwelcoming unless good feelings are attached to them. Someone talking to new and potential members about the organisation, going through the role remit with them, and acting as coach for the first few months (especially before and after meetings) could make the difference between an individual staying or opting out.

Figure 16
Advert for Management Committee Members

PARADISE COMMUNITY RESOURCE CENTRE

MANAGEMENT COMMITTEE MEMBERS WANTED

Paradise Community Resource Centre is a local voluntary organisation serving the community needs of the Ainsley area of Bridgetown. We currently operate a drop-in facility for carers and children, a benefits advice and information service, and training in computer skills for the over-50s.

Our staff team of three full-time and 4 part-time staff provide these services to all residents of Ainsley. We are approaching our AGM in June and are seeking new committee members to help us further our work in the community.

Management committee members are volunteers, and take overall legal responsibility for the Centre's work, and serve a two-year term of office. We want our committee to be representative of the different interests and people we serve, but we also need to be an effective decision making body with the right skills and competencies.

At present we are seeking people with an interest in furthering our work, and specifically those with financial skills, and personnel skills or experience to complete our full complement of 14 members.

Comprehensive induction and on-going training is offered, as are reimbursment of all reasonable out-of-pocket expenses.

If you are interested in knowing more about this exciting chance to be involved in developing the Ainsley area, please contact Jean Roberts on 02446 520953 for an information pack, or for an informal chat about the role of the committee, and how you can be involved.

Remember.

Before you place the advertisement, ensure that you have all the material ready for the information packs, and also that your contact person will be available to take any calls.

Figure 17

Example of an Information pack – 'Paradise'

A short history of the organisation and an overview of the activities
Paradise CRC was opened in 1992 as drop-in centre with a grant from the local authority, run by volunteers and managed by a small committee. In 1996, they were awarded a Community Fund Grant, which funds all of the activities and 7 staff members. Activities are provided for a range of age-groups, from carers and children to a senior citizen lunch club.

The legal status of the organisation and an outline of the legal responsibilities
Paradise is a charity and a company limited by guarantee, which places certain responsibilities on the management committee, under charity and Companies Acts, and employment and other relevant legislation.

The composition and purpose of the management committee
The committee members are volunteers, and take overall legal responsibility for the Centre's work, usually serving a two-year term of office. The committee has space for 14 members, who are drawn from the community and include advisors from the statutory authorities. Within the committee structure, there is a chairperson, a vice-chair, a secretary and a treasurer.

Role of an individual management committee member
Individual members have an important role to play. Bringing skills, experience and knowledge, they share in the responsibility of governing the organisation by contributing to the decision making processes.

Relationship between committee and staff
The management committee is the employer, responsible for employment and support of the staff. Working to best practice, the committee play a strategic role in the management of the organisation, whilst the staff are responsible for the operational side.

Required commitment of time
Management committee meetings are held monthly in the evening and generally last 2 hours, and members will be expected to serve on a sub-committee, which meets quarterly. In addition, training sessions on current issues are held approximately every 6 months

Support offered by organisation
Induction and on-going training is available for all members as required.
Expenses to cover out-of-pocket costs are provided, including travel and dependents costs.

Skills and attributes sought
The management committee expects that all members will have a genuine interest in the work of Paradise, and will work together as a team to further the aims and objectives.
Specifically, the management committee needs members with financial and personnel skills to complement the range of skills currently available. Applicants having these two areas of skill may wish to serve on the relevant sub-committees. I.e. Finance & General Purposes, and Staffing Support

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Application form
You may wish to devise an application form that covers:
- Name address and telephone number
- Any voluntary experience
- as an operational volunteer
- as a committee member
- Any specific skill or experience you are seeking

You should also mention here what is the next step. Do they have to take part in an interview; is there a selection or election process etc. to become a member of the management committee?

Extra Information If you have promotional literature, annual reports etc. you may wish to include these with the information pack.

17
Service Users or Clients as Management Committee Members

Following a seminar on user empowerment the MOH management committee decided that representatives from the young people using MOH, should be on the management committee. Althea is not against the idea but she is not for it either – at least not at this stage. She thinks it will take a lot of work and is not sure what the management committee - or indeed the young people - will gain from it. In a previous job she had been the 'token' black person, and it had been a bad experience. Moreover Althea thought some of the management committee might later resist the changes once they realise what was entailed. But, she realised, it could be that she did not adjust to new initiatives as quickly as other people. 'Perfectionists do not make good risk takers', she reflected. She decided the only way forward was to take the initiative, and do what she could to get the process right for all concerned. But she would need support and had a lot to learn.

Involving users or clients in the governance of an organisation is an important principle for management committees to consider, and indeed implement if at all appropriate. However good intentions without good practice can be damaging, not least for the users or clients. The process by which things are done can make or break such initiatives - as Althea well knew from her experience as the only black persons in an otherwise all white company.

First of all the words used. 'Involvement' of users or clients, in relation to management committees, can mean a variety of different things. For example:

- **Direct or indirect consultation** with users or clients about services and service development (e.g. interviewing those using an advice service or sending out satisfaction questionnaires to people attending a day centre);

- **Information** for users or clients on what decisions have been made by the management committee, and the implications of these for them (e.g. a regular newsletter circulated amongst staff and volunteers - on paper and/or using website discussion board or email group);

- Users and clients appointed or elected onto the management committee, either as individuals in their own right, or to reflect the needs and concerns of specific interest groups (e.g. young people under 18 years old).

Each of these options has their value; and they are not mutually exclusive.
But MOH – or any other voluntary organisation addressing this issue – should ask itself one key question, is the motivation for including users or clients on the management committee, just a good idea or it is central to the values and purpose of the organisation? For instances, a community centre for older people might be expected not only to get regular feedback from those attending the centre but also for users of the centre to be on the management committee; whereas the management committee of an environmental charity might take a different approach because the empowerment of their members would not be central to their core purpose.

Althea's first step therefore might be to encourage her fellow management committee members to examine what they understand involving users means in practical terms, for instances any changes in their make up and operation. It helps the process of changing who joins the committee, if the management committee clearly understand why they are including users on the governing body; similarly if a management committee decides not to involve users to define clearly why not. If a management committee is undecided they might consider starting off by inviting users to take an advisory role, while all concerned are learning and developing trust.

If Althea's management committee is truly committed to including users in its governance work, it is important for them to consider the following things:

- doing a 'skills audit' - not just inviting users because of their representative status - and so checking what the management committee needs in terms of practical skills, direction, vision and ethos then considering what users might help with or contribute, as well;
- identifying the right structure for enabling user or client involvement, (e.g. free election or protected places for minorities, or a combination of both); and if users are involved formally as representatives, ensuring they have a strong connection to the user groups whose interests they represent;
- checking the legal position. Is the number of users or clients to be taken onto the management committee acceptable to the charity regulator?
- deciding the most effective procedures for recruiting user management members, bearing in mind the results of the 'skills audit', mentioned above;
- developing ways of meeting, reading, listening and interacting that help rather than hinder the participation of users or clients with physical or mental disabilities; provide support and training to assist users and clients to participate fully (e.g. accessible information, meeting times and venues; having a 'buddy' on the management committee as part of their induction, assertiveness training and practice in meeting skills).

A critical factor in successfully including users on the management committee is whether the people concerned feel respected and treated as full members. This would mean avoid having just one 'token' user, giving people time to growing into their role and listening to what they say!

Involving young people in governance

Organisations, like Althea's, committed to helping young people, and wanting to involve them in the management committee, can do so if the young people are over the age of 18 years. Dedicated management committee members, who meet and consult them on a regular basis, can represent the interests of young people under 18 years. Young people could be invited to attend management committee meetings where they may, with the consent of members, participate in discussions.

18
Induction and Training of New Management Committee Members

Eric was in trouble. There had been another row at the last TCCO management committee meeting, seemingly because of something he said. Thoughtlessly Eric had told a committee member that she was cowardly in not voting on a contentious item and then it turned out she could not vote because she was co-opted and not a full management committee member! And now there was this latest drama. This time it was about chair's action. The chair of the management committee had given her approval for a funding bid to go ahead, even through there had not been, in Eric's opinion, full consultation with other members. The chair explained she had done so because the deadline for the funding proposal was before the next management committee meeting, and they could not risk missing making the bid. Eric, not realising that the governing document allowed for chair's action, had challenged her, albeit rather abruptly, with the result there was a row. He wondered if he was alone in finding this a tough way of learning management committee procedures and practices. Perhaps the problem was his lack of a proper induction as a management committee member.

A few words about 'chair's action' before tackling the induction and training of new management committee members. It is not unusual for the governing document of an organisation to allow for the chair of a management committee to take 'chair's action'. 'Chair's action' takes place when a decision _must of necessity_ be made _before_ the next meeting, and the governing documents specify that the chair has the power to make it. A chair does not have this authority if it is not allowed for in the governing documents of the organisation. All decisions taken as chair's action must be reported to the next meeting, and if there are any financial or legal implications, the decision must be ratified by the management committee (also see chapter 6).

Yet how was Eric to know this if he had not been told about it? Management committees, perhaps because they have so much to do, can take too light an approach to the induction of new members. Some merely provide an informal chat, some background information and introduction at their first meeting. It is hardly surprising then that the new member might act inappropriately, lack enthusiasm, attend management committee meetings erratically, or opt out.

Common worries amongst new management committee members are:

- Not feeling they have a role or that they belong
- Not understanding what is actually going on and making a mistake
- Not finding the role rewarding
- Not feeling that they have the respect of other management committee members and staff.

Sound preparation and induction of management committee members, for full and effective participation, requires:

- New management committee members to meet informally with honorary officers and key staff members;
- New members to be invited to visit the organisation and discuss its activities with staff and volunteers;
- New members to be welcomed at their first management committee meeting and for existing members at the meeting, and at the subsequent two or three meetings, to try to avoid using any jargon or acronyms (i.e. the initials of an organisation);
- New management committee members to be given – and talked through - the governing documents; a list of names and contact details for management committee members and key staff; the role remit for management committee members; terms of reference for any sub-committees; the code of conduct; a timetable of meetings and events, and recent management committee meeting minutes and reports;
- New members to be given an information pack on the organisation – Fig 18 gives help on developing such a pack and on what might be included in one.
- New management committee members to be asked to talk about (i) what experience and skills they offer and (ii) what information, support and training they require to be a fully useful member of the management committee - and an action plan drawn up as a result;

- o A 'buddy' or 'befriender' to be allocated to new members with whom they can raise concerns and ask for advice and information;
- o New members to be asked at the management committee's annual review for feedback on their induction and how future inductions might be strengthened.

First impressions are very important. Robust management committee work requires robust beginnings.

Figure 18
Induction Pack

Developing The Pack

Decide which items are appropriate for your organisation and those that are specific to your organisation that would you need to add.

Put simple information, such as the composition of the management committee and staff group at the front of the folder, and reference material, such as policies, at the back.

To allow for updating, use a ring binder, with a few easy to read headings, separating one section from another, and decide who will put it together and keep it up-dated.

Identify the items that involve training to help people understand the information.

Give all new management committee members a copy of the induction pack at the very start of their involvement and then arrange for them to meet with the chair and/or project manager to ensure they are clear about how the project works.

It's useful to assign an experienced member of the committee to each new member, to support them at their first committee meetings and as a reference point for any queries.

If you cannot afford a reference section for everyone, have one complete pack made up and kept in the office for the use of management committee and staff.

Compiling the Pack

The following areas should be considered as the minimum to be included:

- The aims and objectives of the project

- The history of the project examples of activities and notable achievements

- Key issues and players [including funders]

- Agreed roles and responsibilities of staff, management committee and individuals.

- Information on board operation including board responsibilities (role description);

- Relationships with other organisations

- A staffing profile

- A summary of recent strategic planning efforts, retreats, outcomes and other planning documents - short, medium and long-term.

- A financial overview including the current budget and last year's financial statement

- Names, addresses and telephone numbers of committee members

- Selection of minutes from recent management committee and other meetings

- A calendar of upcoming meetings and expense forms.

- A list of key policies, such as Confidentiality, Equal Opportunities, etc

19
Equal opportunities principles and policies

Althea is taken aback when she overhears a remark about the management committee having its 'token' black member; and shaken to realise she is the person being talked about! It seems, in the view of some members, that she is the management committee's gesture towards black and ethic minority groups. She realises, after calming her feelings by talking with a friend on her mobile, she that must either resign, or challenge the other management committee members to take equal opportunities seriously, With a surge of adrenaline, the hurt having somewhat subsided, Althea decides she is equal to the task. If it is her responsibility to point out the importance of treating all people with respect, it does not automatically follow that she has to become an equal opportunities warrior - other people either did or did not take up the cause. If they did not, then Althea would reconsider her position. This decided, she suddenly feels emotionally exhausted and sad. So the voluntary sector is not so caring after all.

The principle that all people should be treated as of equal value is profoundly important to all aspects of the life of an organisation – and indeed to the whole of society. As many organisations exist to promote human rights, and to fight for social justice, it is not unreasonable to expect them to reflect these values in their structures and ways of working. This would include seeking diversity amongst the people contributing to the organisation (e.g. in gender and generations) and taking steps to ensure they do not experience abuse or unequal treatment. Indeed contrary to Althea's experience it has been charities committed to equality and diversity that have evolved ground breaking approaches to governance that include key 'stakeholders', whatever their capacity or background.

Fig 19 explores what achieving diversity might mean for a management committee.
A management committee is responsible for (a) reflecting its belief in equal opportunities and diversity in its practice and (b) ensuring that the organisation complies with equal opportunities legislation, (e.g. Race Relations Act, Sex Discrimination Acts, Equal Pay Act, and Disability Discrimination Act). It is a committee's responsibility to ensure that their organisation has (i) a statement of intent (e.g. equal opportunities) and (ii) a workable code of practice that makes clear how the statement of intent is to be implemented and monitored. Figs. 20 and 21 illustrate the key elements of an equal opportunities statement of intent and of a policy framework.

For the management committee itself, adhering to these principles, means attending to three things:
- Ensuring the process for recruiting new members attracts people from diverse backgrounds, and especially people from those groups and communities which are key to the work of the organisation (e.g. users or clients);
- Conducting the business of the management committee in ways that include rather than exclude people, it might mean, for example, reviewing the times of meetings to ensure they are family friendly, taking care not to use prejudice language - for example using 'chair' instead of 'chairman' - meeting in accessible premises and when required providing the paperwork in different languages or on tape etc.
- Expecting individual members to accept, if not celebrate, that being on the management committee asks them to live out the principle of valuing difference, of welcoming people who they might otherwise think of as 'others', i.e. not like themselves.

Althea was hurt to know she was viewed as an object, a token, and not as a person proud to be someone of colour. She had trusted members of the management committee, but the people she had heard talking about her had betrayed that trust. It is important that Althea talks about her concerns with the management committee, but it is not her job alone to change attitudes – it is for all management committee members to take on this challenge. And it could happen that, in meeting this challenge, the members of Althea's management committee even come to appreciate the bad feelings and difficult conversations that are an inevitable part of it, because of the opportunities for learning and growth – both as individuals and as a whole group.

Figure 19
Achieving Diversity

First step to a diverse committee: raise awareness

A first step to a diverse committee is raising awareness of what 'diversity' means and an understanding how it can translate into concrete changes in the way you can work.

Is the environment in which you are operating one which encourages diversity? Will the new individual trustee feel welcome? Are expectations clear on both sides?

Second step to a diverse committee: ask yourself ten questions

How does our committee reflect the people who benefit from the organisation's work or who help the organisation to do its work?

Do we as a committee really understand their needs?

Does the strategy and performance of the organisation, match the organisation's mission and is keeping up with a changing environment?

Could our committee better reflect more of society, our beneficiaries and stakeholders?

What skills and knowledge are missing from our committee?

What would be the idea composition of our committee? (Picture your dream committee)

Can you identify people who could join your committee? Are there people already in the organisation who could become involved at committee level?

For your organisation, what will be the challenges and the benefits of diversity?

Is being on the committee the best way to involve people in the decision-making process?

Why are you looking at the diversity of your committee? If it's for valid reasons – contributing to your organisation's work and your committee's job - or is it because you or someone else thinks it will look good for your organisation?

Third step to a diverse committee: identify tools for change
Recruitment

Examine the networks from which you recruit trustees at the moment.

- o Do you ask around the table, or put an advertisement in the newspaper?

- o Where do you look for trustees and does this match your expectations?

Now examine what you look for - do you know what you are looking for – skills, backgrounds – or is it just arm-twisting to fill a vacancy?

Induction

Have you organised someone to support or mentor your new trustee?

Support

Do new members receive appropriate support? Are expenses offered? What about existing members – introducing new people to the committee, often from very different backgrounds, can be ultimately extremely productive but can also be a difficult process. Discussions and decision-making styles may have to adapt and this will be no easy process. A strong chair can be a key attribute here.

Committee structure

o Aim for a governance structure that helps the committee do its job and is welcoming to the needs of new trustees.

o How does your committee look to the outside world, particularly to a new trustee who may be from a very different background?

o Are sub-committees really contributing to decision-making? Are trustees who are members of sub-committees clear about their respective roles?

o Are meetings interesting and productive, or are they nodding through recommendations and arguing about the minutiae?

Governing document

Do you need to revisit your governing document to review who can be a trustee and how long they can serve for?

Committee culture

o The expectations of the committee regarding the involvement of new trustees;

o The expectations of the new trustee on what committee service will actually involve and how they will be involved.

Say, for example, your organisation is a youth centre and you want to increase the representation of younger people on your committee. Ask yourself whether a younger person would really find the set up of the committee room appealing. Would they react positively to the induction and welcome they receive, to the format of meetings (layout, times of day)? Would they feel confident or interested enough to speak? Is your current process of recruiting trustees appropriate in the first place? You may want to consider a place on the committee nominated only by young people, for example.

Fourth step to a diverse committee: review outcomes

The last step in creating a more inclusive trustee committee is review and evaluation.

It is essential to build in ongoing reviews of how the process of building a diverse committee is working and adding value to the work of the committee. Remember the first question: what is your purpose? Ensure there that you are clear from the beginning what you hope to achieve.

It is better to link reviews of committee diversity to your existing review and evaluation procedure. If you conduct committee self-assessments then the review of diversity should be linked to this: after all, the ultimate outcomes - of improving committee and organisational effectiveness - should be the same.

…and beyond

Finally, do you know what the next steps will be? How does your committee diversity process link in with other policies around diversity within your organisations workforce, volunteer force and service delivery?

Figure 20
Statement of Intent on Equal Opportunities

It is the responsibility of the management committee or other governing body to ensure that the organisation complies with equal opportunities legislation, and includes Race Relations Act, Sex Discrimination Acts, Equal Pay Acts and Disability Discrimination Act.

But good practice goes far beyond the legislation. If the organisation is really concerned with equality of opportunity, it is the responsibility of the committee to ensure that the organisation has a clear statement of intent on equal opportunities. And in addition, a workable code of practice setting out how it will make its statement a reality, and to ensure the code of practice is implemented and monitored.

The statement should cover:

Staff recruitment and selection

- ❑ Conditions of employment

- ❑ Volunteer, recruitment, selection and placement

- ❑ Access to training

- ❑ Membership

- ❑ Provision of the organisation's activities, services and facilities

- ❑ Guidelines and procedures for dealing with direct or indirect discrimination, harassment, victimisation and racism, sexism or other personally abusive behaviour.

It is good practice to state any exceptions to the statement, for example services or facilities not available to people above or below a certain age or with certain disabilities, or jobs not open to people with convictions for certain offences.

Good management is an essential tool for the promotion of equal opportunities, because it ensures information and skills are appropriately shared and people are involved in any decisions affecting them

Further information can be found in *Voluntary Not Amateur* and The *Voluntary sector Legal Handbook.*

Figure 21
Framework for an Equal opportunities Policy

This equal opportunities policy is based on the belief in the intrinsic value and uniqueness of each individual and lays duties and obligations on [name of organisation] to ensure that as an agency, we promote anti-discriminatory practice in all aspects of the work. This Policy will only be effective when it is fully implemented, regularly monitored and closely evaluated. These are responsibilities, which the organisation accepts, endorses and will put into effect.

1. **EQUAL OPPORTUNITIES POLICY**

   a)   [name of organisation] is an Equal Opportunities organisation. This means that, in the provision of services and employment of paid and unpaid workers to provide these services, the organisation will seek to ensure equality of treatment for all persons regardless of nationality, ethnic origin, gender, marital status, disability, age, religion or sexual orientation.

   b)   This policy will apply to recruitment, selection, promotion, training, facilities procedures and terms and conditions of service. The organisation will pursue practices designed to promote equality and to eliminate discrimination, and will review the effectiveness of these practices annually at a meeting of the Management Group.

   c)   In carrying out its Equal Opportunities Policy, the organisation will actively assist groups who may experience discrimination to benefit from its services and to participate in its services and to participate in its organisation at all levels

   d)   If an employee / service user considers that they are suffering from, or has suffered from unequal treatment on any of the grounds stated above, then they can make a complaint which will be dealt with in accordance with the agreed procedures for dealing with grievances.

   e)   In hiring contractors and other agencies to work for it, the organisation will be mindful of its commitment to equality of opportunity.

   f)   In the composition and operation of its Committee and any management or advisory and client committees, the organisation will be mindful of its commitment to Equal Opportunities.

To further the beliefs from the above statement, [name of organisation] will put into place codes of practice on:

   o   Recruitment and employment of paid workers

   o   Recruitment and involvement of voluntary workers

   o   Recruitment and support of committee members

   o   Accessibility of services

   o   Training for staff, volunteers and management committee members

Formulated   **Date**

Review   **Date**

20
Investing in Management Committee Members
Working Together

It is the second anniversary of the community flat, and Harriet, the chair of the management committee, is feeling pensive. The community flat is now well established, and in constant by a range of individuals and groups. But the management committee is not working as well as it could be – it could not really be described as a 'team'. In fact, it is more like three separate groups, there are active established members who are very involved as volunteers in other projects (rather like Harriet herself!); there are those who are staff in other community projects and then there are occasional attenders and 'no shows'.

Harriet shuddered slightly at the thought of what it would be like when if the active members left. She cheered up a bit when she remembered reading something about 'team building' for management committee members. Perhaps this was the way forward? 'Indeed' she thought 'it's time the management committee had some attention - we've spent two years on the flat and not taken time to think about ourselves'. To do 'team building', when the Community Flat needed so much attention would have seemed self-indulgent. 'But now' she decided 'the time is right'.

It is not unusual for new organisations to put lots of effort into setting things up and then find that it's their management committee that needs attention. The energy required getting an organisation established makes time spent on the management committee itself seem an unaffordable luxury. Yet not investing time and resources in helping the management committee to work together effectively result in small problems getting blown into something more serious. Common dilemmas and dynamics are:

a. Very variable participation amongst management committee members, ranging from the highly involved, to those who only attend meetings, to no-shows.

b. Factions, i.e. informal 'splinter' groups that tend to exclude others and centre on dominant individuals.

c. The development of the perception that honorary officers are an exclusive inner circle holding all the power, with considerable influence over paid staff, or volunteers, (which may or may not be true).
e. A tendency to fragment rather than pull together in times of crisis (e.g. serious financial problems), with individuals coping with their anxieties by attributing blame to others.

As Harriet is aware, management committees are particularly vulnerable when key active members leave, and when there are no other members ready and willing to fill the vacuum.
However, by investing early enough in helping the management committee to develop as a working group these consequences are not inevitable, and indeed, are much less likely to occur.

In *principle* this means:
- Management committee members consider themselves as responsible for how well they work together and well as for the work they do;
- Management committee members accept that, as charity trustees, their responsibilities are collective - the 'no shows' members are as accountable as the most active members (see chapter 5.

In *practice* this means:
1. In the first year – taking time out to (i) define the values, principles and priorities for the organisation, (ii) training in roles and responsibilities, basic finance and meeting skills, and (iii) deciding on the timetable for planning and reviewing work.

2. On a yearly basis holding strategic planning sessions, ideally including the management committee's annual review or 'appraisal' (see chapter 23) – and incorporating assessment of the strengths and gaps in skills / knowledge/ experience amongst management committee members.

3. Holding occasional 'team building' events – either at regular intervals, or after periods of particular stress (see chapters 23 and 24).

If, as Harriet was anticipating, the management committee did decide to have a 'team building' session, this might mean going away for the day (or weekend) and talking about:

- what works, or doesn't work, in the way the management committee functions e.g. at meetings and cooperation between meetings;
- what has sustained and diminished the motivation/ commitment of individual committee members (fig 28 for an example form to use).

At the end of these events, it is sensible to identify action points and the basics of how to achieve them (i.e. to agree what, who and by when). It can help to have an outside consultant (see chapter 24) to assist with both devising the programme for the team building sessions and facilitating the events themselves (it is rather like an independent 'chair' of the event).

21
Working Together as Management Committee and Staff

A recent Milton Open House management committee meeting left Althea feeling very uneasy. Her uneasiness had to do with the behaviour of some of the paid staff, during the meeting, when the management committee had had difficulty coming to a decision. At times Althea thought she saw contempt on the faces of some of the staff. She wondered if this had anything to do with the poor relationship that existed between the management committee chair and the project leader. The most recent example of this was a clash about who should lead negotiations with the Health Board. The project leader was on the Health and Housing Community Planning Forum, but the chair of the management committee was friends with the chief officer of Health Board, and had a hot line to senior managers. This two-headed approach to influencing the Health Board's strategy on homelessness was a source of conflict in MOH committee meetings, and of critical reports from their Link Officer to the local council.

Althea, like other management committee members, is worried about both the short and the long-term repercussions of what is going on, but feels stuck about what to do. Was there some kind of mediator who could persuade the embattled warriors to stop squabbling and to start listening to each other?

Clearly the quality of the relationship between staff and management committee members is fundamental. This much is obvious, but rather less obvious is how to keep the partnership healthy - whatever problems and difficulties may be besetting the organisation.

Common issues are:

- Muddles with roles; there are grey areas between the role and tasks of the management committees (which has come to be called 'governance') and those of the staff and frontline volunteers, (termed 'operational management'). This means that there can be uncertainty about who makes what decisions, and who is responsible for key tasks, (e.g. external liaison and devising strategy);

- Multiple roles; members of the management committee sometimes also act as 'operational volunteers' (see chapter 23); they may also be clients or users (see chapter 17). Whilst multiple roles are often a positive feature of voluntary organisations relationships can also get muddled, and even strained at times. This can happen if, for example, the volunteer / management committee member, whilst acting as a volunteer, 'breaks ranks' and attempts to exercise authority over the staff member in charge of the work; or if the volunteer / management committee member undermines the staff member by gossiping about them to other management committee members or senior staff.

- Real, or perceived, interference by individual management committee members in the work of staff and frontline volunteers;

- Management committee members, worried about clashing with staff over issues of power and control, abdicating their responsibilities and leaving the running of the organisation to the staff.

- Staff, not properly understanding the value and functions of management committees, resenting having to 'some amateur group of volunteers', (i.e. the management committee).

- Management committee members, because they have limited time available, knowingly delegating their responsibility to staff, and only exercising their authority in times of crisis.

Management committee members and staff wanting to develop and maintain a good working relationship might consider:
- Regularly reviewing each others' roles and tasks – especially after the organisation has grown or changed structure;
- Instituting a yearly cycle of meetings to (i) decide on priorities for future direction (these might also be called business or strategic planning sessions) and (ii) review

progress and tackle difficulties with priorities and / or expectations (e.g. how staff report to management committee meetings);
- o Agreeing what to do if relationships become difficult and strained - even, at times, using the services of an outside consultant (see 2.21 for details), or mediator, to assist with persuading the people in conflict to:
- o Keep talking
    - ▪ Listen
    - ▪ Get support
    - ▪ Diagnose key issues and concerns
    - ▪ Identify ways of limiting the damage and preventing its reoccurrence.
    - ▪ Agree action plans

The relationship between chairs of management committees and managers

An effective working relationship between the chair and their manager (e.g. the most senior staff member, if there is one) is pivotal to the work of management committees. There is no legal prescription about how the chair / manager relationship should be conducted – just as there are few formal requirements of chairs, (apart from chairing meetings effectively). However there has been no lack of ideas about how chairs and managers *should* behave. In some organisations, the chair 'line manages' the manager (e.g. conducts supervision and appraisal sessions) whilst in others the chair provides informal support.

How any individual chair and manager work together ideally depends on a combination of (i) what the organisation requires of them and (ii) the best use of their experience, interests and preferences. Moreover as circumstances change assumptions about roles will need to be reviewed and expectations negotiated. It is a partnership, some say like a 'marriage', although this maybe going too far! But it is a relationship that requires attention and guidelines can be found in fig 22.

This having been said the chair of the management committee is an integral part of a collective endeavour - the management committee – and not a volunteer general manager or boss. The chair's primary relationship must be with their management committee, and within this framework work in co-operation with the manager.

22
Ensuring effective meetings

After much consideration, Harriet concluded, wearily, that the primary role of a chair of a management committee was to be the repository of endless complaints. Some members of the management committee wanted to change the time of the meetings – again – (even though they had shifted the meetings from the daytime to early evenings only six months ago). More worrying though was the complaint from two of the younger members that the meetings were boring, and anyway, they did not seem to achieve very much. Harriet had done her bit to talk them through the purpose and format of meetings, but she knew it was not enough. It was true that the agenda was always too long, and that a bunch of items about health and safety did keep re-occurring. But what really got to her, she thought grumpily, was sitting still for three hours or more, with only a brief comfort break, in a room that was really too small and very stuffy. Perhaps, she thought, we need to think 'out of the box' to make the meetings work for the people at the meeting, and the business on the agenda...

Getting meetings right for all the people all the time, and dealing with all the agenda items effectively is no mean feat – in fact it's positively superhuman.

Fundamentally, meetings are merely a tool for achieving specific tasks – usually to inform, consult and decide particular items / issues and to review progress. To be simplistic - if the format of meetings blunts this 'tool', then changes might be required - and not just in the timing of meetings! With this in mind it might help Harriet, and her management committee, to consider:

- The *purpose* of the management committee meetings - i.e. being clear, and keeping clear, about the purpose of this type of meeting (e.g. sub-committees) and the purpose of each of the meetings being held. Also to ensure that only essential items and reports are discussed at meetings - if an item does not actually need everyone to be involved then it could be sorted out elsewhere, or be incorporated into an information sheet.
- *Preparation* for meetings – good meeting discipline means getting the minutes and agendas out in good time (e.g. several days before the meeting); it also means members reading them well in advance and thinking through what needs to be said or done and by when.
- A meeting is only as good as the *participation* of its members. Members are responsible for their own self-discipline, thinking before they speak (or decide not to), controlling or directing strong feelings. People should feel able to 'stop' the meeting if they find it too noisy, disorganised or distressing to continue, and ask for more helpful and restrained behaviour. It can be useful to build in a review of the meeting, say in the last 5-10 minutes, especially if there are new members attending, or the chair is new to the role.

Focus on chairing meetings

It is important to separate the role of the chair of a meeting and the role and functions of the chair as 'first amongst equals', on the management committee. The chair of the committee may not always chair committee and sub-committee meetings. Indeed the vice chair, or another management members, might do so when the chair is absent, and extend their meeting skills.

The primary purpose of a chair of a meeting is to ensure members of that meeting constructively fulfil the agenda in line with principles of equal opportunities and mutual respect. The chair of meetings is an administrator (of paper) and a facilitator (of people) - not an autocrat or play leader! Being an effective chair requires training, support and practice – which means anyone can do it well enough with coaching and a will to learn.

If you are the chair, and you think you are being undermined, it is appropriate to stop the meeting and request a review. The role can only be performed properly if it, and the person in the role are treated with respect.

Focus on paperwork
a. The agenda

a. The design of the agenda is much more critical to effective meetings than may be realised. Figure 23 is an example of a model agenda.

It is the job of the chair to ensure that the agenda is properly organised, lists only relevant items, is coherently laid out and sent out in time. The meeting chair and secretary may do this themselves, or in co-ordination with their administrative staff. Ideally, the bulk of the items on the agenda should have been identified at the last meeting or as a result of consulting management committee members and staff well beforehand.

The agenda should list the items in terms of importance, and clearly state (i) the nature of the item and (ii) the purpose of having it on the agenda, i.e. for information, consultation or decision-making.

Items for decision-making that require strict attention to detail, should be at the beginning of the meeting – when people are fresh - and items merely for information at the end – when everyone's attention span has diminished.

It is crucial not to overload the agenda; people's energy and attention span are limited - especially in the evening. Five core items might be quite enough for one meeting. Keeping meetings to around 90 – 120 minutes, maximum, also helps concentration; and can prevent the occasional silly decision being made at the end of a long and tiring session.

b. Minutes

Minute taking is an unsung skill, and the contribution that minute takers often make is often underestimated. Minutes are not the writing of a story/ play or an exact record of who said what to who. Minutes are a short and precise record of who attended, the topics tackled, key information (if not recorded elsewhere) and action points (i.e. what, who and by when) – see Fig 24 for a model set of minutes. 'Listen more and write less' is a useful rule for all minute takers. It is a good idea to have the action points either in a column down the side of the page or on a back page that can be kept separately from the main minutes. If, during the meeting, what has been decided / agreed is not clear to the minute taker they should ask the chair to summarise and only then note the decision down. If the wording of the item is crucial, then it is a good idea for the minute taker to read out what they have written and check it with other members.

And because meetings can seem overwhelming, and potentially put new members off, Fig 25 is an example of a letter welcoming them and providing a basic background to the management committee's meetings.

Finally, how about adding a review the effectiveness of your meetings to the list of things to look at as part of the yearly annual review or appraisal (see chapter 23)!

Figure 23
'Model' Management Committee Agenda

BUSINESS MEETING AGENDA
Venue PROJECT PREMISES
7 June 2004   7.00 pm – 8.30 pm

1   Apologies
A note of those people who have indicated their non-attendance

2   Matters arising
This notes the status of items from the last agenda and is for information only

5.4   Job advertisement now ready for sending to newspapers as agreed
6.2   Funding application sent to Community Fund, but no reply as yet.

----

3   Manager's Report [see attached]   **20 minutes**

Manager to present monthly report and outline proposals 1 & 2
Please read the report and be ready to discuss proposals 1 & 2
      Decision needed

4   Finance report   **15 minutes**
Treasurer to present an indication of the current financial situation
Opportunity for questions and clarification, before approval of quarterly report.
Approval of accounts

5   Policy Review   **20 minutes**
To consider revision of the Health & Safety policy in the light of the new legislation.
Outline of changes [attached] to be expanded by Policy Group convenor at meeting.
Decision needed

6   Reports from sub-groups   **25 minutes**
      To receive reports and consider proposals and recommendations as required
      i   Personnel   - information only
      ii   Premises   - information only
      iii   Policy [also see item 5]   - decision needed

----

7   Any Other *Competent* Business   **5 minutes**
Brief pieces of information requiring no discussion

8   Dates of Next Meetings
      4th August   11th October
      2nd December 3rd February
      4th April

PLEASE BRING YOUR DIARY TO THE MEETING

Figure 24
'Model' Management Committee Minutes

Venue: Project Premises   Date: 7 June 2004

Present: Helen Wing   Chair
                   Jean Cant   Secretary
                   Seena Bahi   Treasurer
                   Margie Coll
                   George Reilly
                   Alan Danvers

In attendance: Trevor Jones   Manager
Apologies: Councillor Green

2.0 Matters arising
6.4   Job advertisement now ready for sending to newspapers as agreed.
6.2   Funding application sent to Community Fund, but no reply as yet.

3.0   Manager's Report [see attached]
3.1   The Manager presented the monthly report and outlined proposals 1 & 2
3.2   Proposal 1 was **accepted unanimously**, but the majority of the meeting felt there was
         not enough information to make a decision for proposal 2 and so demitted this to the
         next agenda.
3.3   The manager was asked to carry out more research and send the results to all
         members.
         ACTION   Manager by 30 June

4.0 Finance report
4.1   The treasurer presented the draft quarterly financial report [attached].
         After clarification of changes in budget headings, the report was **approved.**
4.2   The Social Work Department now require quarterly financial reports to be sent to their
         Finance Department.
                   ACTION   Treasurer by 14 June 2004

5.0 Policy Review
5.1   The Policy Group convenor outlined changes in Health & Safety legislation and
         proposed adoption of the revised policy [attached] and was **approved.**
5.2   Copies of new policy to be distributed to all staff, committee and volunteers.
ACTION   Administrator by 21 June 2004

6.0   Reports from sub-groups
6.1   **Personnel**   - the sub-group will be now meeting one week <u>before</u> the main
         committee meeting, instead of one week <u>after</u>.
6.2   **Premises**   - the lease has been renewed for a further 4 years under the terms
         agreed at last committee meeting. [see attached for details]
6.3   **Policy** [also see item 5.1]The convenor outlined a proposal to run a review day
         reviewing all policies on 3 July at The Manor Hotel, costing £85.00. **Approved**

7.0   Any Other *Competent* Business
7.1   The Council Offices will be closed on 22 June for one day

8.0 Date of Next Meeting
8.1   4th August 2004 at 4.00 pm **Please note change of time**

Figure 25
Welcoming New Management Committee Members

An individual welcome your new management committee members, can help to get them involved as quickly as possible, by introducing them to your ways of working – and meeting!

SAMPLE LETTER TO NEW MANAGEMENT COMMITTEE MEMBERS

Dear …………………………

Welcome to the management committee of [name of organisation] for [year].

Committee meetings may seem a little overwhelming at first, but we hope that outlining our way of working will help you to settle in as quickly as possible.

This management committee can have up to [number] members, but we can co-opt extra members who have a particular knowledge or expertise.

To make the most of our committee meetings, we need to work through as much business as possible at each one, and this can only happen if we have full attendance. To help ensure this, the meetings are planned well in advance, wherever possible, and are confined to approximately [number] per year

As we are all busy people, we expect everyone to help share the workload. This won't mean a constant commitment, but we may require action from you from time to time.

I hope you will enjoy your time helping to develop the work of [Name of Organisation], but if, at any time you feel concerned about any of the areas that come within your responsibilities, I would be grateful if you would raise them with me in the first instance.

I look forward to seeing you at the first management committee meeting, which will be held at [venue / date / time].

Yours sincerely

Secretary or Chairperson

23
Management committee appraisal

The chair of the MOH management committee has just resigned. Because of the difficult relationships both within the management committee and with the staff, the MOH management committee has reluctantly agreed to the project leader's suggestion of a 'management committee appraisal' session and an external consultant has been appointed to help with it. With some trepidation Althea filled in a questionnaire sent to all management committee members by the project leader. The questionnaire was about the management committee's functioning in the last twelve months, and what training and support she thought was important in the year ahead. Althea understood that the information from the questionnaires would be summarised by the external consultant who would then feedback the information to the management committee at a special meeting. The external consultant would also act as facilitator, at this meeting, and help the management committee plan a twelve month development programme for themselves.

During this special meeting, Althea found herself shifting from polite disinterest, to curiosity, enthusiasm and finally commitment. As she left, feeling weary but hopeful, Althea made a pact with herself that she would help ensure the plans were followed up. She did not want disillusion to take hold because nothing came of the 'appraisal' – it was too positive an experience to waste.

The habit of taking time out each year to have a review or an appraisal has become established practice for many management committees and paid staff. These review or appraisal sessions, often called 'away days', usually combine reflection with problem solving and future planning. The agenda for an appraisal session might include looking at:

- What helps and hinders the management committee's effectively working (e.g. information overload; time or location of meetings);

- How could management committee members strengthen their ways of working together – and improve their level of cooperation with their staff, both volunteer and paid;

- The individual 'capacities' of management committee members, i.e. the background, skills, experience they contribute;

- The gaps in the skills and knowledge of management committee members, especially in light of the organisation's priorities and plans for the next 12- 18 months;

- Priorities for developing the management committee (as a group and as individuals) in terms of policies, training, recruitment and structures for working (e.g. sub-committees).

Having a management committee appraisal every 12 months means that enough time has elapsed for some milestones to have been reached – but not enough for people to forget what has happened. Perhaps the most demanding - and yet possibly most substantial - form of appraisal is an 'upwards' or '360 degree' appraisal. This is when the staff and volunteers in an organisation give feedback 'up' the organisations – to senior staff and management committee members – about what aspects of their performance they find most and least useful. This is best done using a structured questionnaire, filled in anonymously, and summarised by a third party (e.g. external consultant (see 2.21)). It should not be carried out more often than every two or three years, as it is time consuming.

Fig 26 is a questionnaire for individual management committee members to fill in about the functioning of the management committee, prior to an appraisal away day. The information from the questionnaire would then be the basis of a discussion, at the appraisal, of the strength of the management committee and its areas of concern. The management committee would then decide on their goals, priorities and plans for future training and development.

An appraisals session can be organised and run by the management committee itself, with or without the assistance of an outside consultant in the role of a facilitator. If you decide, unlike Althea's management committee, to manage the appraisal session yourselves there are useful resources to help you design the programme and achieve it in section 4

Strategic planning

Forward planning is crucial to effective governance, and a core function of a management committee; hence monitoring the work of the organisation is a key element of management committee meetings. However, if the reports on on-going activities and their results are to be meaningful, the management committee also needs to have a clear framework for assessing progress and agreeing priorities. To have such a framework – often called a forward or strategic plan – requires the management committee (and staff) to regularly devise, revise and review plans and decide the focus for future activities.

Many management committees find it useful to have a cycle of reviews of the progress, (or lack of it), of their strategic plans, and for these reviews to be incorporated in the appraisal sessions. This not only allows for a wide ranging review of the last 12 months, but also there is a greater likelihood that the action plans, decided at these events, will be implemented.

For, as Althea recognised, these activities come to nothing if the various proposals and plans that emerge are not followed up. It is also vital that the action plans from these events are put on the agenda of subsequent management committee meetings; and that the plans, and their implementation, are regularly re-visited.

Figure 26
Management Committee Appraisal Questionnaire

This questionnaire is designed to help committee members assess how well the management committee functions, and identify areas where they might improve.It should be completed, **anonymously**, in advance of the review day, and the results analysed, and presented at the review day by the facilitator, to stimulate discussion. You may feel that not all statements are relevant, so choose those which suit your organisation.

Read each statement carefully and give each a score as **you** perceive it.

1 = Very Dissatisfied, 2 = Somewhat Dissatisfied, 3 = Satisfied and 4 = Very Satisfied. If you are unsure, mark the statement 'NS'.

How satisfied are you that:

1   all committee members are familiar with the current mission statement and purpose of the organisation

2   the committee is knowledgeable about the organisation's current activities and services?

3   the organisation has a strategic plan and is planning adequately for the future?

4   the committee focuses its attention on long-term significant policy issues rather than short-term administrative matters?

5   the committee as approved an effective marketing and public relations strategy for the organisation?

6   the committee understands the fundraising strategy for the organisation?

7   the organisation has developed a sound financial strategy and good financial controls?

8   the committee discusses thoroughly the annual budget of the organisation and its implications before approving it?

9   the committee currently contains a sufficient range of expertise to make it an effective governing body?

10   the respective roles of the management committee and staff are clearly defined and understood?

11   the management committee supports the chief officer in their role?

12   the committee holds effective meetings?

13   the committee's size and structure is adequate?

14   the committee has adopted policies which enhance its effectiveness [for example conflict of interest policies, risk management policies etc]?

15   the committee adds value to the organisation?

24
Using external consultants

At the management committee meeting, following the appraisal, people were talking about it energetically. Most of the comments were positive; and even the negative ones were pessimistic about the future rather than the day itself. The amiable banter and liveliness remained for the rest of the meeting. Althea was amused that people were teasing her for being organised enough to have had the action points typed up and copies made. 'Well', she thought with amusement, 'I have arrived!' During the review of the appraisal session, many people said that its success had much to do with the facilitating skills of the external consultant. Indeed, without an outsider to guide and control the session, some members confessed that they might not have turned up, as they had been expecting arguments, tantrums and people walking out. 'Perhaps we should have one of these 'hero' facilitators at all our meetings' Althea muttered to Eliza sitting next to her.
The chair promptly cautioned Eliza for giggling.

In the last ten years the regular use of external consultants (sometimes called facilitators) has become common in voluntary organisations. These consultants or facilitators are usually independent freelancers who often specialise in working with voluntary and / or statutory organisations. However describing people as 'consultants' or 'facilitators' invites certain questions like 'what do they actually do?', and 'how much do they cost?' The terms – 'consultants' and 'facilitators' – are often used loosely, and at times as if they meant the same thing. It can help reduce the ambiguity if 'facilitation' and 'facilitator' are used to describe a particular role that a 'consultant' performs or a service they offer. The services provided by external consultants fall into three broad categories.

1. **Facilitating Appraisals or Review Days** (sometimes called 'team building'). These are events that could be as short as three hours or as long as three days. The consultant's role is to (i) ensure the purpose of the event is clear, (ii) help design the programme, (iii) ensure the practical arrangements (e.g. venue and room layout) favour the event, (iv) ensure the event is run usefully and fairly (rather like an independent and skilled chair of an meeting), (v) ensure that any key issues and differences are acknowledged and addressed and (vi) ensure action points are identified. Using consultants in this way has the advantage of allowing the chair of the management committee, or project leader, to take their place as one of the group. A consultant can also help ensure new, or isolated, management committee members can make their voice heard.

2. **Assisting with Strategic Reviews** – this can include helping management committees to identify priorities for the future development of the organisation, providing support with writing the resulting strategic plan (or business plan) and sorting the steps required to implement the plans. This aspect of the external consultant's role might also include assisting with drawing up budgets and deciding on the framework for future fund-raising.

3. **Carrying out evaluations** – this means providing the organisation, or a funder of the organisation, with information on the organisation's activities (e.g. debt counselling and advice), outputs (e.g. numbers of people attending debt counselling sessions) and outcomes (e.g. fewer people demonstrating serious problems with debt/ more people feeling in control of their finances). The methods used by the consultant might focus on providing figures (quantitative techniques) and / or on collating and summarising people's statements about their impressions or experiences (qualitative techniques).

Deciding what is required from an external consultant is not always straightforward. Key points to get clear are:
- the aims of a particular event, group of events, or project, and the principles that are to underpin the way of working;

- the ground rules e.g. confidentiality;

- the costs (e.g. fee and travel expenses) and time involved.

- the expected outcomes from the work. For example, is the consultant to provide a report on the event afterwards?

- what to do if either party (i.e. the organisation or the external consultant) is seriously dissatisfied.

  Useful guidelines are
  - i) issues should be raised informally within 7 days and if unresolved

  - ii) a formal statement be submitted. If after a further period the problems are still unresolved

  - (iii) then there is recourse to formal mediation (e.g. third party arbitration).

- Whether there is to be a review, afterwards, of the success or progress of the event or project to see what can be learnt.

Fig 27 puts these points together in the form of a 'contract' between the organisation and the consultant.

How do you find an external consultant? And how do you ensure they are as good at facilitating as Althea's consultant? Here are some suggestions.

- o invest time in getting the remit for the event / project as clear as possible and write it down. Write the expectations either in the form of a tender (for selection by competition) or proposal;
- o seek names of external consultants by asking other organisations who they have used, ask advice from your local umbrella or infrastructure organisation (e.g. Council for Voluntary Service) or surf the web for directories of trainers and consultants (e.g. www.mdn.org.uk).

It can help to talk to a range of possible external consultants to see who best fits the ethos, background and budget of your organisation - as well as matching the specific requirements of the event or project.

Figure 27
Model Consultancy Contract

It is important to have a written agreement, which details the areas of work that you are commissioning and ensure these are agreed early on in the discussions, and drawn up formally into a contract. The following can be incorporated into the letter confirming the work with the consultant.

Responsibilities of [name of organisation]

[Name of Organisation]'s contact with the consultant on a regular basis will be [name and job title of contact person], who will have authority to make operational decisions.

[Name of organisation] will, for the duration of this contract, provide the consultant with reasonable access to all relevant personnel and others connected with the organisation as is necessary to enable them to perform the services in accordance with the Schedule. These personnel will commit time, effort and energy in support of the consultant to ensure the successful outcome of consultancy.

[Name of organisation] will provide reasonable access and use of its office facilities including computers, photocopying, fax, telephone, and desk and meeting rooms as seems appropriate in the provision of the services.

[Name of organisation] will provide access to relevant correspondence and written material in printed or computerised form, which is of relevance and necessary to perform the services in accordance with this contract.

[Name of organisation] will normally settle invoices within the mandatory 28 days of receipt.

[Name of organisation], once satisfied with the consultant's recommendations, will give full consideration to their implementation.

Responsibilities of the Consultant

The consultant in discussion with [named person] will agree at the outset clearly defined   objectives and time scales within which to complete the work to ensure purpose, focus and direction of all parties throughout the period of consultation.

The consultant will provide any feedback, reports, presentations etc. as have been agreed in the schedule of work, at previously determined intervals.

The consultant will not at any time disclose or cause or permit to be disclosed any of [name of organisation]'s confidential information to any person whatsoever or use the organisation's confidential information for any purpose other than the purposes of providing the services as already agreed.

The consultant will return to [name of organisation], any supporting material, publications or other material obtained from the organisation and used by them in carrying out the consultancy.

The consultant will ensure that copyright of any report, document or other written material produced as an outcome of the consultancy, will be vested in [name of organisation].

Joint responsibilities

Any concerns arising from a breach of the conditions of this contract, should be raised within 7 days of the breach occurring and will be dealt with under the appropriate procedure.

Signed		....	Date ....

For	[name of organisation]

Signed	Date ....
	consultant

25
Succession planning

Harriet has been chair for 4 years now. She recently realised she had 'done her time'. She cringed when she heard herself say 'we have already tried that', a number of times, to two new management committee members. More importantly she felt less gripped by the issues facing the organisation than she had even a year ago. Moreover, she was enjoying chairing the local Joint Health and Community Education Partnership Forum on social inclusion. Yet Harriet had to admit she was reluctant to resign as chair because of the impact it would have on her management committee. Nobody was indispensable but… the assumption had grown up over the years that it would be Harriet who would always take the lead in raising grants, in negotiations with the Council and in linking up with the multitude of local and regional networks. No doubt her leaving would be the end of an era – except this seemed too pompous a thought. She had to think about the situation practically. The management committee would need time to re-build around a new chair – but who would be prepared to take the responsibility? 'Or be talked into it more likely!' she thought. At this, she sat up straight and said to herself, 'no', it has to be done properly, even if it means I have to learn to be patient!'

Robust, sustainable governance requires 'succession planning'. When somebody who is in a key role, like Harriet, leaves, especially if the organisation is going through a bad patch, steps need to have already been taken to ensure that someone else is ready to take over. For example, it's a good idea to induct and train the vice-chair(s) in the duties and responsibilities of the chair long before the role becomes vacant.

Nor should these arrangements stop with the chair. The last days of a long serving management committee member, in any post, are not best spent scrabbling around trying to talk someone (or con someone!) into taking on the job.

Part of the strength of a management committee lies in its capacity to fill honorary officers' posts (see chapter 6 for details), as well as being able to replace other active members when they leave. It helps to have in place a management committee development programme – which should include training that is tailored to individual committee members, as well as apprenticeships for chairs, treasurers and secretaries. The whole programme can be reviewed and fine-tuned at the annual management committee review or appraisal (see chapter 23).

In other words - be prepared! Key management committee members, unlike Harriet, may leave suddenly - and perhaps for reasons that reflect difficulties in the organisation. So it is vital to the health of a management committee that there is little delay in filling key roles with capable people.

A proactive approach to succession planning is described in Fig 28

Figure 28
Strategy for Management Committee Succession Planning

The management committee should be constantly reviewed and refreshed to ensure that its balance is maintained. Organisations and individuals should adopt a positive approach to succession planning and take practical steps to avoid feelings of bitterness and guilt.

Members who have invested huge amounts of time, emotion and commitment to a cause can find letting go and moving on a painful experience, particularly when they have served for many years and do not have a positive strategy for what they do next. And those who have played a key role may feel resented by others when they leave. They may even be accused of abandoning the organisation. But both sides need to recognise that individuals outgrow organisations and organisations outgrow individuals, and handle this with sensitivity, and a planned approach to moving on.

Develop the culture

- ❑ Communicate that moving on is a positive strategy.

- ❑ Avoid a dependency culture or feeling of rejection by having open discussions about moving and what options are open to members to do next.

- ❑ Understand there is no automatic right to stay even if you've been successful in the past.

- ❑ Recognise that individuals and organisations do not grow in parallel, or at the same pace or in the same direction.

- ❑ Understand that leaving is not failure, and that you are not letting people down. It can be the best move for the individual and organisation.

- ❑ Appreciating that skills and experience are not necessarily relevant for ever.

Develop a positive strategy for succession

- ❑ Set out the 'ground rules' at the beginning of the involvement

- ❑ Have a system whereby half of the members are elected every two years or one third every year, with re-election possible for one further term only (except in special circumstances)

- ❑ Develop a phased election process

- ❑ Have 'apprentice' office bearers, so that they can learn with the present incumbent, but be prepared to take over when they leave.

- ❑ Maintain contact and support with your community and networks through the mailing list, newsletters etc. to keep your profile high.

- ❑ Encourage new people to come into the organisation at all levels, involve them in advisory or sub-groups first before inviting them to stand for election to the full management committee.

Develop continuity

- ❑ Value the contribution of leavers with tokens, souvenirs, flowers or parties

- ❑ Mark moving on with speeches and social events. After all, contributions should be recognised and celebrated!

- ❑ Create stars, or the equivalent of the House of Lords, with 'honorary vice president' or 'life president' - especially for founder members.

- ❑ Maintain good relationships with former management committee members, so they may be willing to come back. Invite them to functions, especially social ones.

A succession strategy will help to ensure a balanced committee where the members can join and move on in a planned and logical way. These pro-active systems can help to avoid inertia and ensure the organisation is responding to changes in the external environment, keeping a good mix of skills and experiences to be the most effective committee it can be.

26

Closing down or renewal?

Eric had just left a very difficult management committee meeting. He reflected sorrowfully that his membership of TCCO was something he had volunteered for, which he had gone into with his eyes open – or so he had thought! It seemed a very long time ago now. Anyway, after a brief period of stability following two of the staff leaving, the in fighting had started again. Eric thought the root of the tension was that people wanted different things of TCCO, and this conflict had undermined trust and respect. He himself had been frustrated because the fund-raising sub-committee had given priority to negotiating for a Healthy Living Centre, as opposed to finding money to support voluntary groups (like his own carer's support group) which were strapped for funds.

However all this was overshadowed by the latest drama - the unexpected withdrawal of the Jubilee Community Programme. This meant the possible loss of three posts and a serious deficit in management costs. To make matters worse, the external consultant brought in to help with the crisis was rumoured to be a close friend of the Project Leader, something that had not been mentioned during her interview.

All the tension and rancour was beginning to make Eric feel sick; it seemed to him that TCCO was being pulled apart; surely it would have to close – or was he the only one to think so? Perhaps many people feared the same thing but were reluctant to say so.

This must be the worst situation for management committee members (as well as for everyone else who is part of an organisation) – to face closure when the organisation has not yet finished its work; not to be able to joyously celebrate the achievement of its mission and finally close the doors with the satisfaction of a job well done. Unfortunately it does happen.

Sometimes organisations are forced to close down because their funding has been cut, and no substitute money can be found. However, Eric's organisation not only faces losing a key grant, it is itself in danger of self-destructing. Arguing for maintaining, or indeed increasing, funding levels is hard enough, without rumours circulating about bad practice and internal conflict within an organisation. Unfortunately, confronted by difficulties such as these, management committees sometimes ignore them, in the vain hope they will go away. But survival, if it is possible, requires the opposite approach. For example:

- Acknowledge and then put aside the anxiety and grief,
- Become proactive - anticipate and act swiftly rather then waiting on events, and then working out what to do,
- In all things act co-operatively - the chances of conflictual relationships are high,
- Invest in communication - internally and externally.
- Put your faith in taking strategic approaches to large and small problems.

Blame and scape-goating are frequent visitors at such times and should be evicted as soon as they surface. It is essential that the management committee take a long clear look at the current state of the organisation - perhaps with the help of an external consultant – and identify the options for the short and long term. This assessment could include:

- The impact on the client group or cause of closure, or a reduction in services or activities;

- Legal and constitutional requirements. What does the governing document allow for at closure in terms of the process to be followed and the re-distribution of assets?

- Financial strengths and weaknesses - including assets (e.g. premises and equipment);

- Internal capacity - morale, skills and knowledge of staff and volunteers;

- Timetable required for change and consolidation or closure;

- External reputation - opportunities and threats;

- Potential of rescue by local authorities, government or major trusts.

Ultimately it is up to the management committee to decide whether there are sufficient resources, and goodwill, to maintain core services, or whether the organisation must devise an exit strategy (i.e. plan for closing down). If the decision is the latter then is closure to be rapid or staggered?

Going for survival

If the decision is to try and survive, then seriously consider the following:
- Invest in realistic planning, implementation and review;
- Carefully construct a fundraising strategy;
- Neutralise any negative reputation - internally and externally;
- Prepare service users / local people to fight cuts or closure

In the battle to save the organisation, bear in mind that life carries on afterwards. It is unwise to adopt tactics that offend funders and significant players in your networks.

Closure

If the decision is to close then consider:
- What your governing document says about dissolving the organisation, (the how, what and when of winding up an organisations depends on whether it is incorporated or unincorporated (see chapters 4 and 12 for details), and whether it is solvent or insolvent).

- The extent of the assets of the organisation and the options for disposing of them (e.g. are there legal requirements about who should benefit from the disposed assets?).

- The timetable required for seeing the process through. This includes stopping activities, dismissing staff, closing premises, paying bills, terminating contracts and, if appropriate, de-registering with the charity regulator.
-
- The cost implications, i.e. having the finances to cover the cost of the process of winding up. You also need to consider the implications for management committee members in terms of personal liability if the organisation cannot meet its financial obligations.

- Who is left / best placed to oversee the winding up and ultimate dissolution.

Renewal

What happened to Eric's organisation? Lots of things did need to change. Yet endings can also be beginnings, or at least an opportunity for renewal.

Harriet, now chair of her local Community Renewal Monitoring Unit, was at a conference on local participation, when she heard a man in the hotel reception area, furiously lecturing a bemused local authority chief executive. She would not have taken any notice, except she heard the man shout in exasperation 'if TCCO goes down it will be a terrible waste, a waste of lessons learnt through hard experience and of local people's hopes and dreams'. It was Eric at his best and worst, reckless and utterly determined to be heard. His cry struck a cord with her so she went over and asked him to have a coffee.
As he was getting nowhere with the chief executive Eric agreed; and as a consequence of this meeting, Harriet helped TCCO to negotiate transitional funding to give the management committee time to sort out the internal problems, and put together a sound finance and fund-raising package (albeit for a smaller organisation with the remit of promoting participation in the local community). One of the requirements of the transitional funding was the co-option of outsiders, onto the TCCO management committee, for a period of eighteen months, to strengthen their governance. The co-optees were from a regional pool of experienced management committee members prepared to assist colleagues, for a limited period, in ailing organisations. This is how Althea joined the TCCO management committee to help what management committee members were left working together, with the new staff, to lay the foundations of a sound organisation. Eric did his bit, although quieter now as he was feeling his age.

Rather too happy-ever-after an ending? Well this is a storybook. But what are the lessons to be learnt from real life attempts by management committees at rescuing and restoring their organisation? It is certainly very hard work; it consumes a lot of time and energy, and at times will feel frustrating and unrewarding. Other people will not necessarily appreciate your actions, and you may not be thanked – at least in the short term. But the remarkable resilience of so many people in the voluntary and community sector comes from long experience of forging change, despite the odds, because it _matters_.

But for an organisation in crisis to recover successfully, there are other essentials too. The process requires, no, is utterly dependent on, management committee members working together despite, at times, powerful forces undermining their trust and confidence in each other. It is this collectivity of volunteers prepared to go the distance that is at the heart of good governance, and which ultimately makes the difference when their organisation faces an uncertain fate.

Good governance, in times of plenty, diminishes the likelihood of famine later on, and provides the robustness necessary to work effectively when the going gets tough. We hope this book contributes to sustaining your management committee, and its capacity for being effective, during good and bad times.

But what helps sustain the individual management committee member?

This is the focus of the next section.

Section Three:

BEING A

MANAGEMENT COMMITTEE

MEMBER

27

Relationship Between Honorary Officers and Other Members of the Management Committee

> Harriet was feeling almost sick with shock and anxiety. The management committee had just been discussing how to sort out liaison with their local authority Link Officer. Harriet was being firm about the management committee taking a 'softly, softly' approach when one of the group shrugged his shoulders and said 'well you'll do what you like, you're the boss'. Even worse, she had the impression he thought, but did not say, 'and you're a bully too!' The others at the meeting just looked at their feet. She felt confused and miserable. She knew that being chair did not mean she was 'the boss', but she did feel very clear that liaison with the Link Officer, and more importantly, with the Link Officer's department, had to be handled very carefully. After all, she should know, she had spearheaded the negotiations!

Harriet's distress is probably an unhappy mix of guilt and bewilderment. It is true that many organisations rely on a core of people, often the honorary officers, to do much of the management committee's work. This is not ideal, and can create problems for both the active and less active management committee members. The active members have to carry an unequal workload; and the no-shows, or hardly-ever-shows, despite their absence, are still accountable for the management committee's activities and decisions. The collective nature of management committee responsibility (see chapters 5 and 6) means that legal liability (see chapter11) sits equally on the shoulders of all management committee members – active or inactive, honorary officer or not.

In the public and commercial sectors, it is not unusual for the chair of the board to act as a formal leader with specific decision-making powers. Whereas in charities, where the chair is legally merely 'first amongst equals' the chair should not be regarded, or ideally act, as a formal leader or boss of the organisation. This principle also applies to the other honorary officers (see chapter 6). Hence, the treasurer's role is to ensure the management committee, as a whole, approaches the organisation of the finances with competence and probity.

It is the same for the role of the company secretary – in an incorporated organisation (see chapter 12) – although the company secretary is not an honorary officer. The function of the company secretary is to assist the 'directors' - or management committee members - to fulfil their obligations as a registered company. If, for example, the organisation's financial returns are not submitted to Companies House, as required, then it is, ultimately, the directors/ management committee that will be called to account - not the company secretary.

Dilemmas associated with honorary officers

To be fair, there are real dilemmas for honorary officers like Harriet. Harriet could well not intend to dominate management committee members, or want to undermine the authority of the group. But she could argue that at such a sensitive time, in the development of the organisation, and with so much to be done by so few people, she had no real choice but to drive the proceedings. And she might well be right in these particular circumstances. It is the problem of balancing (i) short-term gains, e.g. smooth negotiations with the council with possible long-term damage to relationships, e.g. unequal workloads become routine.

However, even if Harriet were much less active as a chair, she or her other honorary officers could well be perceived as different from other management committee members, because:

1. honorary officers are often more aware of what must get done, and how, than other management committee members because of their roles. This can be seen as giving them 'advantage'; and because they are more knowledgeable, and have more information, they are likely to talk most in meetings;

2. at times there is work that must be done, and done well, and it may happen that this is therefore delegated to the most experienced management committee members;

3. established committee members may avoid involving new or less dedicated members out of a fear that the time required, or the complexity of demands, could alienate them;

4. new or inexperienced committee members may project onto established management committee member's assumptions about them having the role and powers of a leader. This is sometimes because the new management committee members feel overwhelmed by the magnitude of what seems expected of them. Hence they want the reassurance that there are capable people 'in charge'. This dynamic particularly affect treasurers. Treasurers can be perceived as having extra powers because of their specialist expertise, and because people who are anxious about financial matters, (i.e. most of us), feel dependent on them.

5. pressure of work, combined with anxiety, can make people (like Harriet), unaware of, or indifferent to, others peoples' feelings, and so at times they can appear 'pushy'.

Because of these dilemmas it is important that honorary officers try to keep both their workload and their exercise of authority within limits – even at critical times in the development of their organisations.

Founding members of management committees

Keeping a sense of perspective is particularly important if the members of the management committee are 'founding' members of the organisation, especially if they have been instrumental in driving the vision of what could or should be provided by the organisation. The tendency for founding members to dominate the management committee– to see the organisation as somehow 'theirs' – is so problematic that it has come to be called the 'founders' syndrome'!

The influence of individual's interests on roles

Each honorary officer's role involves a core set of expectations. For example, the treasurer must make certain there is effective reporting to their management committee on financial matters; and chairs should ensure meetings are properly conducted. What else they do is for discussion and negotiation. Some chairs play a critical part in fundraising, some in external liaison and diplomacy, others do supervision interviews with their project leader {see chapter 21}; what chairs do, at any point in time, should depend on a mix of their skills and inclinations - and, in equal part, the requirements of the organisation.

Ideally the constellations of tasks and activities honorary officers perform evolves out of open discussions and negotiations with other management committee members.
Harriet is not alone in finding it hard, as an honorary officer, to get the balance between:
➢ servicing and leading,
➢ enabling and taking the initiative,
➢ using the authority associated with her specialist knowledge and yet respecting the collective nature of committee responsibility.

To help avoid these dilemmas from becoming destructive it is useful to (i) talk about the individual and collective nature of management committee responsibility with new members (summarised in fig1), (ii) include expectations of how roles should be performed in role remits and codes of conduct (see chapter 10) and (iii) review roles as part of the management committee's annual appraisal (see chapter 23).

28
Management Committee Members and Motivation

Eric was feeling good. Not only had his new boots not hurt his feet, but he had just had a hug from another member of the management committee! Especially as he had thought, at one stage, that she had been gearing up for an argument.

They had been waiting for a bus that did not come, and decided to walk quite a distance to the railway station. Eric had wanted to talk to Megan about the TCCO management committee, and decided to use the opportunity of the walk to do so. Megan was a new member of the TCCO management committee and Eric had the impression she thought she was there to fight the corner for her community centre, where she was a volunteer. Eric, when he joined the TCCO Management Committee, had also thought he was on the management committee representing his local carer's group – only to learn his mistake in a rather messy way. He wanted to save Megan from the same fate.

Not that Megan appreciated it, at least not at first. But when it became clear that he was trying hard _not_ to lecture her once again on the primary loyalties of the management committees of charities the tension eased somewhat; and they talked about what it was about TCCO, and its work, that interested and excited them. By the time Eric and Megan had reached the railway station they were tired but exhilarated about their common investment in TCCO. As she left him Megan said 'I am not sure if this allowed by the Code of Conduct!' and hugged him.

It is fundamental to the role of management committees of charities that an individual management committee member's primary loyalty is first and foremost to the organisation on whose management committee they serve. This is the case even if the person is only on the management committee of the charity because their local group or branch voted for them. All management committee members are expected to have, as a common interest, the well being of the organisation (see chapter 5). Eric had learnt this 'in a rather messy way', when new to the TCCO management committee. He had had a disagreement with the other management committee members about services to local groups and had gone back and told his carers' group that 'they' (the TCCO management committee) did not pay attention to local groups. He was subsequently challenged by a couple of carers who told Eric he was being disloyal to TCCO! He had since tackled his 'attitude' problem and accepted responsibility for being loyal to the TCCO management committee.

But it is also important that Eric and Megan, as new members, are prepared to serve on the TCCO management committee precisely because of their genuine concerns for particular groups in the local community. The motives of management committee members are vital to the health and productivity of their management committees, and it is well worth while taking time to discuss members' reasons for joining – and staying. This would mean:

> ➤ asking new members at induction both what they offer the management committee and want they to receive back as a result of their involvement, and,
> ➤ asking management committee members at the annual appraisal what does / does not work for them as individuals , and what they would keep, or change, to sustain, and deepen, their motivation to serve on the management committee, - using the format provided in Fig 29 for example - then,
> ➤ identifying action plans that, when in place, would add to the incentives, and reduce the disincentives, affecting the motivation of members of the management committee.

Why is this so important? Is it not 'icing on the cake' (as one management committee member once said?) The satisfaction to be gained from being involved on a management committee can be fragile and easily damaged; especially when the management committee / organisation hits painful times. When conflict reigns and difficulties seem intractable it can hard to remain motivated, unless individuals have already developed a resilience and robustness of commitment as a result of feeling that they are supported and appreciated.

Building in discussions about 'motivation' also encourages people who have actually lost interest in the organisation, or who want to give priority to other things, to resign. There is no value to a management committee in having members who have 'done their time', but nevertheless remain on the management committee. Problems that arise from this situation are: poor attendance at meetings, resistance to new ideas, unreliable participation, and a tendency to mutter cynical one-liners and to deflate other people's enthusiasm!

Fig 29
Review of Personal Involvement

Give each management committee member a copy of the review sheet, to complete for the Review and Planning Session and pass to the facilitator in advance of the session.

1   List the pieces of work, which over the past year have you found,

A]   Easy / enjoyable

B]   Difficult/ boring

2   What have you learned from this?

3   What specific tasks or duties would you like to tackle / take on over the next year?

4   What training and/or support will you need to do this?

5   What skills / knowledge do you need to develop to enable you to contribute more effectively to the work of the committee?

Use the back of this sheet if necessary.

29
Rights of management committee members

When Althea was a new management committee member at MOH (Milburn Open House) it had just obtained a substantial grant allowing the employment of three extra members of staff. As a personnel specialist Althea had agreed to join the newly established staffing sub-committee and chair it. A few weeks before their first meeting Althea thought she should get her act together and prepare profiles on each member of staff – as background information for sub-committee members. With this in mind she rang MOH and asked the Administrator to send her information on the staff and their conditions of service. The Administrator told Althea, rather brusquely, that she was not entitled to information on staff members, at least not without written permission.

Althea put the phone down, angry about the rudeness she had experienced, and bewildered about why she was denied this information. Did management committee members not have a right to personnel information? Should she have got permission beforehand from the management committee or the chair or the Project Leader? Perhaps the Administrator was wrong? Her mobile phone rang just as she was about to leave for lunch. It was Judi, the MOH Project Leader. Judi apologised for the situation, and said, ideally, Althea should have got the management committee's approval before requesting personnel information to be sent to her. Judi went on to say this was just the kind of thing the first staffing sub-committee should discuss and write down as part of as its operational policies. Althea was impressed and apologised for her part in the muddle. 'Well', she thought as she ate her salad, 'a useful lesson in the 'can and can't dos' of MOH management committee members - and an example of why Judi is regarded as good at her job'.

Wondering about the boundaries (or the 'can and can't dos') of the management committee members' role is a necessary part of getting to grips with what exactly is expected in any particular organisation. Althea was finding out about more than tasks and activities. She was learning about the rights (or lack of them) and the responsibilities of management committee members.

Unfortunately being clear about the _rights_ of management committee members is not straightforward. For example, how does a management committee fulfil its function of accounting for the performance of their organisation, unless they have the right to be present when the paid and volunteer staff are doing the work? Yet how do they do this without getting in the way, undermining the staff in charge, and having both paid and volunteer staff regard them as meddlesome and interfering?

Althea's request for information about the staff is complex. The management committee as a whole is usually entitled to see personnel information, i.e. if it is not confidential (e.g. information associated with grievance or disciplinary procedures) - but this right does not necessarily apply to individual committee members. In others words, at MOH, Althea could have access to the personnel information, but _only_ if the management committee had agreed to it, or if it was allowed by the rules governing the operation of the staffing sub-committee, of which she was a member.

Why do management committees have rights of access to people and information? It is so that a management committee can exercise their responsibilities. It is essential to governance that management committees have access to any information (unless this would be illegal or betray client confidentiality), and volunteer and paid staff, as and when they think fit.

Without these powers, management committees cannot fulfil their responsibilities to investigate justifiable concerns, and ultimately be accountable for their organisation (see chapter 14). However these _rights_ must be exercised with care, and as part of a clear strategy, agreed by the whole management committee for dealing with problems and concerns. What would this mean? It would mean having policies – and a Code of Conduct (see chapter 10) - on the following key areas:

1.   Should visits by individual management committee members to staff activities or meetings always be by prior arrangement?

2. Can individual management committee members require staff or volunteers to give them information (e.g. about costs or clients), or carry out tasks for them (e.g. typing up the minutes of sub-committees)?

3.

4. Where management committee members have queries, complaints or concerns about aspects of their organisation. What are the proper processes for raising these? What if the queries and complaints came from staff, or people outwith the organisation (chapters 31 and 33)?

Getting the balance between the rights and responsibilities of all the different parties involved in an organisation is complex, and can change with time and circumstances. It is important that management committees take the time to get clear, and stay clear, about the nature of their authority, and how best to exercise their rights and powers – and of course that they tell volunteer and paid staff about it. They might use the list of rights and responsibilities in Fig 30 to help these conversations.

Finally, the administrator was wrong to be rude to Althea, and Althea will have to decide whether or not to mention it to her and/ or the Project Leader. It is quite possible that the administrator reacted the way she did because she felt cornered; saying 'no' to a member of your management committee can be scary. Althea might take a leaf out of Judi's book on how to manage difficult moments between staff and management committee members!

Fig 30
Rights and Responsibilities of Management Committee Members

Although there are specific tasks and responsibilities committee members may be required to carry out, there are other, personal rights and responsibilities, which has to do with the behaviour and attitude that the organisation would wish to promote.

RIGHTS

❑ To receive accurate information about my responsibilities and liabilities as a committee member at the beginning of my involvement with the organisation.

❑ To receive regular and relevant information to enable me to make informed decisions

❑ To be treated with respect by all members of the organisation

❑ To access appropriate training to enable me to carry out my responsibilities

❑ To have the opportunity to disagree with suggestions made at meetings

❑ To have the opportunity to question decisions made in my name and those of the organisation

❑ To have access to the resources necessary to carry out my responsibilities

❑ To be reimbursed for appropriate expenditure incurred whilst carrying out my responsibilities

❑ To access appropriate support to become more effective in the organisation

❑ To be informed in an appropriate manner, when my performance falls below the agreed standard

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RESPONSIBILITIES

❑ To maintain confidentiality of the operations and management of the organisation

❑ To work together for the benefit of the organisation, implementing collective decisions even when they differ from my own views.

❑ To listen and be open minded to others' opinions and ideas

❑ To promote and maintain a positive image of the organisation

❑ To prepare for, and actively contribute and participate at meetings

❑ To treat all people working in the organisation, whether paid or unpaid, with appropriate respect

These personal rights and responsibilities should be part of an induction programme, so that new members are fully aware of the ethos and principles of the organisation, and the expectations of both parties.

30
Complaints from management committee members about other management committee members

Althea is cross. Paul, a fellow management committee member and local youth worker, has missed the last three management committee meetings. Equally seriously he has not sent his apologies. Yet no one except Althea seems prepared to do anything about it. Is she being the perfectionist again?
She had heard gossip that Paul had been close to another management committee member and that they had parted company recently. 'Be that as it may' she thought, 'Paul's behaviour does not show much respect for the management committee, and something should be done about it.'
The constitution allowed for management committee members, who did not turn up for meetings on a regular basis, to be sanctioned, but no one wanted to use these sanctions on Paul. Indeed, she discovered, no management committee member had ever been formally reprimanded for poor attendance. 'Not very impressive' she thought, - looking a bit like she had just sucked a lemon – 'and a bad example to staff'. The she laughed. 'But then so is intimate relationships between management committee members, but then that would mean talking about sex in the governing documents!'

It is irritating if a management committee member regularly fails to attend meetings, especially if the person does not even bother to send their apologies. Management committee members may also be exasperated by colleagues who:
➢ regularly come late and / or leave early;
➢ seem only to attend for the free lunch;
➢ do not volunteer for tasks or join sub-committees;
➢ do not bother to read the paperwork beforehand;
➢ say little in the meeting but moan a lot outside it.

These types of behaviour often signal someone who lacks interest in the work of their management committee, and may lack commitment to the organisation hence Althea's judgemental attitude is not unreasonable. However …
It may well be that Paul is not attending for personal reasons. Or it could be that the management committee is itself the source of the problem. S*ometimes* non-attendance can be a symptom of:
o unease with the management committee's methods (e.g. unsympathetic or apathetic chairing);
o tension with other management committee members.

Absent members may give low priority to attending meetings because they do not think their attendance or participation is noticed or valued. Regrettably at times this is true and is not just the self-justifying perception of the missing management committee member.
It could be that the management committee member is unwell - physically or mentally - and needs 'time out', if only from the pressures of others' expectations.

Inevitably the way in which a management committee member voices their discontent about a colleague – and with what degree of support or challenge – is important. If Althea had reasons to be seriously concerned about Paul's behaviour she could usefully:
a. Be clear about what is be gained by making an issue about his attendance;
b. Be aware of any policies or guidelines on making complaints – for example in the Code of Conduct (see chapter 10);
c. Consider what is fair to Paul. What approaches give him the best chance to answer the complaint without feeling attacked or losing face? It might be a good idea to start with an informal conversation and, if this is unsatisfactory, arrange a meeting with him and the chair (for example), or even to visit him at home, i.e. on his own territory. Whatever helps Althea and Paul have a useful, if uncomfortable, conversation that leads to positive change;

If Paul's behaviour comes to cause wide spread concern, the management committee might consider setting up a 'Standards Committee', as described in Fig 31, to both manage the difficulties and prevent them escalating.

The results of making a complaints might mean that the person resigns, or that they adjust their behaviour, or indeed that the management committee changes what they expect or accept from the individual.

Dismissing a management committee member

There will be occasions when a management committee member has to be dismissed. For this to happen – assuming the dismissal is reasonable - without undue pain and difficulty, the management committees should have (a) statements in their governing document describing the procedures for making complaints and dismissing management committee members, and (b) the steps for carrying these out (for instances is the membership drawn in?). These procedures should include

(i)   guidelines on challenging and sanctioning fellow members,

(ii)   ii) the precise criteria for unacceptable behaviour (e.g. violence or use of racist language)

(iii)   (ii) what sanctions are available (e.g. being required to attend an inquiry, or suspension from the management committee) and (iii) the members' rights to appeal.

But, you may be thinking, what about Althea's views on intimate relations between fellow management committee members? What does this have to do with complaints procedures? A married couple (or an established unmarried couple of the same or different gender) on the same management committee is not always best practice because of possible conflicts of interests and problems of loyalty; for example - what if a client of the organisation makes a formal complaint against one of the couple?

And what about management committee members having affairs with each other (or with staff members)? Bad idea! There is enough soap opera in the life of management committees without the added drama of sexual passion and disaffection. It is questionable though whether legislating against sexual activity in a governing document is the way forward. In the end it is about personal integrity; about people being honest about what is happening – and just possibly one or even both people, might seriously consider resigning.

Developing a Standards Committee

This is for problems arising from:

A]   conflicts *between* members, which cannot be resolved by the individuals concerned

B]   a specific breach of committee rules of conduct *by* a committee member.

The remit should reflect the statement in your governing document regarding the handling of disputes, and disciplinary action allowed.

Suggested format

This will be a sub-committee of the full management committee and should comprise a maximum of 3 people. At least two should be full committee members, with one chairing the group. It is advisable that this is an office bearer such as a vice-chair. The remaining place may be taken by an advisor to the management committee or someone with a particular skill in conflict resolution.

Situation A]

A complaint is received by the convenor, by one or both parties in the dispute

The sub-committee is convened within 21 days

The convenor brings the complaint to the sub-committee where it is discussed.

The designated person on the sub-committee meets separately with the individuals involved in the conflict to hear their case.

There may be an attempt to mediate if both parties feel it would be helpful.

A report on the various discussions is fed back to the sub-committee

Situation B]

A complaint is raised against the behaviour of a member

The sub-committee is convened within 21 days

The convenor brings the complaint to the sub-committee where it is discussed and initial action decided on.

The convenor meets with the person against whom the complaint is made and puts forward the committee's position.

The convenor reports back to the sub-committee and after discussion, a decision is taken on any action to be recommended to the management committee.

The report of this decision is fed back to the main committee, with recommendations for action.

The results of this meeting must be transmitted to the relevant person within 48 hours, preferably verbally and followed up in writing.

31

Management Committee Member's Relationships with Outside Agencies

Althea was speechless. She was at the launch of a new insurance product by her firm. It was quite a do, with lots of champagne and canapés. She was feeling very happy. It is not that Althea had had much to drink, but her mother had just rung to say that there was news of Joseph, her brother, who had gone missing two years previously. There was not a lot of news -Joseph had just asked the Salvation Army's missing person help-line to ring the family and tell them he was alive - but the relief was fantastic.

Althea was just beginning to manage light conversation about the new insurance package, when a man introduced himself saying he was keen to meet her, as he understood she was associated with MOH. He went on to explain that his firm were corporate sponsors of MOH, and then added, rather abruptly, that he understood MOH was in a state financially and wanted to know quite what was being done about it.

Althea knew MOH had a larger deficit than usual for the time of year and that there were delicate negotiations being conducted with a funder. She experienced a momentary collision of contradictory emotions – first happiness and irritation – then confusion - as she was not sure what a management committee member could say, and could not say, to outsiders, about sensitive matters.

Calming herself, Althea decided to be honest, but careful to protect the reputation of MOH. She told the man that MOH has to deal with problems caused by the late payment of grants, but as the finances of MOH were properly organised, she thought that he had no reason to be unduly concerned. Althea rather had the impression the man assumed the finances were bound to be in a muddle because MOH was a charity. To her amazement, Althea heard herself telling him about what charities like MOH achieved, and going on to talk about Joseph. As she talked, the man's face changed from polite indifference to rapt attention. Later in the week, the man emailed her, because he wanted to volunteer as a treasurer and wanted to know how to go about it.

'So', she thought, 'management committee members are ambassadors, along with everything else'. But she wondered how you knew what is, or is not, acceptable to tell to outsiders about internal problems. She realised, given her emotional state, she could have ended up saying far too much, or indeed too little. 'We need guidelines' she decided, 'and I will do the research and write them'.

What Althea will discover when she does her research, and talks to other management committee members, is that being an ambassadors is a key aspect of the job. It is important that the management committee have good relationships with a wide range of supporters of their organisation, and there may be benefits and opportunities to be derived from the most unexpected meetings. But sorting out what is acceptable, or appropriate, for management committee members to talk about with outsiders, is a complicated issue, as Althea, in preparing her guidelines, will discover. Might the treasurer of the management committee, for example, have reservations about funders hearing informally about the financial difficulties? Might the Project Leader panic when she hears that problems between members of staff had been discussed with local community leaders – what if the press got involved? On other hand, MOH is a public body and is committed to openness and transparency.

Althea's guidelines need to help management committee members judge what to tell outsiders by balancing:

➢ being open and honest;

➢ respecting the fact that some matters may be confidential or sensitive to the organisation (Fig 32 might be of value here);

➢ consideration of the purpose to which the information might be put, by the listener – is she or he motivated to help or hinder the organisation, or anyone associated with it?

What about a management committee member speaking on behalf of their organisation – say at a public meeting or conference? Strictly speaking, this would only be legitimate if the management committee member had been delegated this task, or given permission from their management committee (or possibly sub-committee) to do so. Collectively, management committee members have authority to say whatever they deem appropriate in public, but not as individuals (see chapter 5). There is no place on management committees for 'rogue' behaviour, i.e. individuals acting as lone volunteer governors, or self-elected diplomats or negotiators.

What does this mean in practical terms? It means:

> Knowing what information, events etc. are confidential to the organisation, or (individuals in it) – and why;
> Being upfront when in conversation with individuals outwith the organisation about what information or discussions are not in the public arena. If they persist in probing, being prepared to close the conversation, or attempt to steer it into safer waters;
> Avoiding the temptation to sort out problems the organisation has, with individuals or groups, because you happen to meet the people involved – even though you have no authority to do so;
> Being clear, when speaking in public, whether you are doing so as an individual, or as a formal representative of your organisation.

Althea might also include a point in her guidelines about gossip! Life would be dull without it but it can be damaging if indulged in irresponsibly or without respect.

Figure 32
Keeping Confidentiality

Whilst it is quite all right – and indeed desirable – to promote the work of the organisation, it is vital that information is not released to 'outsiders' inappropriately.

Everyone should be aware of the scope of operations, and it is down to both the organisation and the individual to ensure that everyone knows as much as possible about what goes on.

To help clarify the types of things that are inappropriate, a 'declaration' may be useful, which could include the following items plus others that may relate specifically to the work that you do. When agreed by your organisation, it can be written into a short *statement of confidentiality*.

Organisational responsibilities

[The Organisation] will promote the work of the organisation, and ensure that appropriate networks and liaisons are established and maintained.

[The Organisation] will indicate those items that are confidential and/or sensitive.

Members' responsibilities

Ensure that you are fully informed about the operational policies and processes of [The Organisation].

Ensure that you are familiar with the principles and values of [The Organisation], so that you can identify appropriate potential new networks, and work to promote these.

Be aware of the areas of work that are sensitive and/or confidential, and do not disclose these issues inappropriately. These may include:

- ✓ Proposed pieces of work not yet agreed by the management committee

- ✓ Names and details of service users

- ✓ Funding sources currently being pursued

- ✓ Disputes and disagreements within the organisation

- ✓ Any legal processes being entered into, not yet in the public domain

- ✓ Employment procedures currently being pursued e.g. Grievance procedure

- ✓ Concerns about the financial position

The statement can also form a part of a *Code of Conduct* or management committee handbook [see section 2.6], which outlines the responsibilities of both individual committee member and the organisation to ensuring effective governance procedures.

32
Management Committee Members as Volunteer Staff Members

Eric was working as a volunteer in the office at TCCO because the administrative worker was ill. This seemed to involve lots of photocopying for local groups and writing them receipts. This was unfortunate, because Eric was unhappy about TCCO's policy of charging local groups for photocopying. TCCO got a grant to support groups so he thought it should provide photocopying as a service, and not make money out of it. As he was standing by the photocopier, an idea came to him. What about a scheme, whereby people from local groups did volunteer hours in return for free photocopying? He was pleased and excited by this idea and, seeing the Chair of the management committee in the kitchen, Eric told him about it. It was only when Eric said he would put the idea to the next management committee meeting that the Chair looked a bit grim. As the Chair left he said 'You would be jumping the gun doing that; you should talk to Ali, or the Project Leader; it is for them to put something on paper'. Eric stared at his retreating back. 'How officious can you get?' he thought.

Eric duly went and found Ali, and told him about the proposal and that he was thinking of putting it to the management committee. What did Ali think? Ali was amazed, and temporarily nonplussed. Eric was a member of the management committee – and one of what Ali thought of as the 'volunteer bosses'. Yet Ali knew the Project Leader would resist changing the policy on charging for services to local groups. Because Ali was clearly unhappy, Eric suggested they talk to the Project Leader about it.

Eric left the meeting with the Project Leader feeling rather exhausted; Ali had disappeared at an early stage in the conversation, and he, Eric, had done a lot of listening. And less about charging local groups than he had expected. Most of it was about the difference between 'governance' and 'operational' volunteering. Eric had the feeling the Project Leader was irritated with him, but did not want to say so. Still, Eric thought, he had caused a muddle; and he decided to have two T-shirts printed, one saying 'operational volunteer', and the other 'governance volunteer', so that he, and others, knew which role he inhabited.

Then Eric went to see Ali, and apologised for putting him on the spot with his proposal. Ali grinned and said there were no hard feelings; he had not thought out what was involved in managing a volunteer, who was also a member of the management committee, either. Perhaps, he suggested, we should write something together?

Mixing roles, perhaps sometimes muddling them, is common enough in organisations large and small; and something of the essence of being in community groups. Members of the management committee may also act as volunteers performing operational tasks, and indeed, they could be users or clients of the organisation as well. There is a lot to be gained, both by individuals and their organisation, if people contribute to it in a variety of different ways. It can only add to the breadth of experience that management committee members bring to their role, if some of them are familiar with being in, or performing other roles.

But, as Eric and Ali discovered mixing roles does create dilemmas that need to be understood and managed - and ultimately written down in the form of policy guidelines.

It is not unusual for operational volunteers to be answerable to, or even 'line managed' by, paid staff. Hence, as a volunteer in the TCCO office, Eric was answerable to Ali, and Ali was responsible for him and the work he was doing – this was how the structure of the organisation was organised.

This is fine as far it goes. But Eric is also a management committee member and so how does it all come together? What about Eric's proposal? What if Eric becomes aware of poor practice, or bullying (see chapter 35), whilst acting as an operational volunteer? These are vital areas for management committee policies (e.g. chapter 33 and codes of conduct (see chapter 10). The rules and guidelines on combining governance and operational volunteering need to help management committee members keep in mind that:

- ❑ they are bound at all times by their responsibilities as a management committee member,
- ❑ they should respect the arrangements for the supervision of volunteers, and paid staff, when performing operational roles and tasks (just as Eric accepts he is answerable to Ali).

And what about Eric's proposal? What might he do if it is ignored, or is not taken up by Ali, or the Project Leader? As has already been mentioned. Eric is a management committee member. If he has taken the proper steps in relation to Ali and the Project Leader, and is _still_ convinced of the value of the proposal, then he should raise the matter formally with his management committee. If the management committee agrees, perhaps Eric could then present a paper on the pros and cons of the present arrangements for charging for the use of the photocopier, followed by options for payment in kind, or variable charges for groups in financial difficulty. His paper might also include the views of local groups on the issue and on the options.

Preparing a paper would help Eric get his ideas treated seriously, as indeed would (i) attempting not to 'sell' his proposal by talking too much and (ii) making it clear he would accept whatever decision was made, and behaving accordingly. Eric needs his fellow committee members to address the ideas being presented, and not be distracted by how they are presented.

Finally, if Eric is wise, he will ensure that the views of the Project Leader, and other staff, are properly represented in the discussion. It is they, after all, who will implement the proposal if the management committee agrees it. Oh - and Eric too if he continues to volunteer to help with the administration!

33
Complaints by Staff to Management Committee Members

Eric is worried because he has heard complaints from the three TCCO sessional advice staff about how the Advice Co-ordinator treats them. The sessional staff say the Advice Co-ordinator is aggressive, especially when they mention that they are unhappy about the rota, or other practical arrangements. Indeed one of the sessional workers has been reduced to tears, on more than one occasion, and has been thinking of leaving.

Eric was sorry for them. But he was also aware of the possibility that they could soon start bad mouthing TCCO to local groups. This would not help anyone. He was reluctant to act because it was not long since the photocopying incident. But as he recognised that he was a trifle impulsive, he was determined to find out what was the appropriate action for him to take as a management committee member, and do that; because the situation was making him anxious, and he was not sleeping very well.

Individual management committee members may find it difficult hearing complaints from staff - whether volunteer or paid, especially if the complaints are made informally. But Eric cannot just put it down to whingeing; the sessional staff are clearly unhappy and their complaints could well reveal real problems within the organisation. Nor will it help the situation if Eric passes on the comments informally - say by dropping hints to the Advice Co-ordinator, or other management committee members. But what would be achieved if he formally took up the complaints with either the Advice Co-ordinator, or the Project Leader?

Management Committee members, who hear complaints, on an informal basis, from volunteer or paid staff, which they judge require serious consideration, could useful consider:
  ➢ The motives of the people making the complaints; why is it that they are telling _you_? Is it only because you are a member of the management committee?
  ➢ What do the people making the complaints actually want as a result of any intervention on the part of a management committee member?
  ➢ What are the gains and losses of acting, and not acting, on the complaints, from the point of view of the different parties?
  ➢ What does 'natural justice' mean in the circumstances, i.e. how do you ensure that everyone's point of view is heard?
  ➢ What approach is likely to have best outcome for the organisation - in the short and long term?

Eric is sensible to be wary of acting on impulse; management committee members can be tempted to 'rescue' aggrieved staff or volunteers, and later regret doing so, wishing they had instead supported them in using the various informal and formal processes for raising concerns. They may be accused of encouraging disaffected volunteer or paid staff to usurp formal procedures or to jump the hierarchy; they may even be accused of betrayal by the staff or volunteers, because they could not deliver what they promised.

If Eric decides that his response to this situation should be to help the unhappy sessional workers use the formal procedures, then they might take these steps:
  1. talk informally with the Advice Co-ordinator about their concerns (with or without Eric in attendance). If this is judged to ineffective, then to,
  2. use the TCCO grievance procedure (for paid staff) or complaints procedure (for volunteers) (see chapter 15) – indeed the anti-bullying procedure should this be thought appropriate (see chapter 35).

If Eric's part in the situation remains informal, he must decide whether or not to tell other management committee members, and staff, about it. If one or more of the sessional staff decided to take out a formal grievance or complaint, Eric should inform the key players about his part in the process. On the other hand, if none of the sessional staff go beyond informal meetings, Eric might reasonably argue that nothing is gained by going public; the issues belong with the sessional staff.

Broadly speaking, a management committee member's role is to ensure: (i) that the rights and conditions of service of paid and volunteer staff are respected and (ii) that the organisation is protected.

If the guidelines and procedures for making complaints or stating grievances, and challenging bullying are not in place, then the job of individual management committee members is made harder, and possibly hazardous. Management committee members in Eric's situation would be wise not only to check that such procedures are in place (for everyone's sake) but also to ensure they are regularly reviewed and updated.

34
Management committee members and managing risk

Althea volunteered to attend a day seminar, for management committee members, on 'Managing Risk'. The chair of the management committee had found on the web that charity regulators now expected governing bodies to include 'risk assessment' as part of their strategic planning. The course trainer made it clear that management committees must ensure their organisation takes all necessary steps to protect people, property and projects. Risk management, he said, meant doing whatever was needed to reduce the possibility of the risks happening, and minimise their negative impact if they did. The trainer stressed the dire consequences for organisations of non-compliance, including fines that could cripple a small organisation, ruin their reputation and cause them to be de-registered as a charity.

Althea was stunned. She was used to implementing health and safety requirements and employment regulations in her workplace, but these never seemed as terrifying as what was described by the trainer. For the first time since joining MOH, Althea wondered if she had made the wrong decision; however, she was not given to losing her nerve and soon pulled herself together. 'Risk must be 'manageable' she told herself.

Althea's response is reasonable given that she has been confronted by any management committee member's nightmare – their organisation being called to account for not adhering to some external regulation and ultimately having to close. After all, in the case of MOH, this would deprive a number of homeless young people of the help they desperately need. And all so that the regulators can be kept happy! Except of course the risks themselves do matter and are often key to the operation of the organisation.

Anyway, would not management committee members value having a list of these 'risks', in an accessible form, and with action plans attached? Indeed it is likely this is what Althea would do in her workplace to help the Insurance Company's managers implement any new employment legislation. It is important to keep things in perspective. Managing risk should be more about practical steps than panic measures - although it is a very human response to avoid going to the dentist because the dentist might find something seriously wrong!

The MOH management committee agreed to have a special session, at their June meeting, in a couple of months time, to decide how to proceed with the risk assessment. In the mean time, to ensure that the session is useful – (and that some of the management committee members did not panic) - Althea and the Project Leader, Judi, are to meet to plan it and do a 'dry run'. They met in the cafeteria provided by Althea's company and were just finishing their fruit salad when Judi gave a yelp! 'Looking at the health and safety risk assessment, I've suddenly realised that I've not included anything about the regulations in the volunteer information pack' she explained. 'Nor', she continued 'in the induction material for management committee members'. Then with a twinkle in her eye, she said, 'Do you know where the MOH Accident Book is kept, Althea? Without missing a beat Althea said she did, and added, ' I am not known as 'Ms-lets-have-policy-on-this' for nothing'; then Althea confessed she knew because, after the last management committee meeting, Marsha had fallen down in the kitchen, and Althea had asked about the whereabouts of the book to record what happened.

Judi yelped again; 'Marsha had an accident in the kitchen? Why don't I know about this?' 'Well' thought Althea, 'risk assessment is obviously working'.

It can help management committee members to keep 'risk' in perspective to have a process for:
1. listing key areas of risk (e.g. health and safety, future funding);
2. assessing the potential for problems;
3. identifying priorities for action; and,
4. devising a programme for tackling the priorities and reporting on the outcomes.

Figs. 33 and 34 are examples of forms that could be used as part of this process, to assess the risks and formulate a plan to manage them.

By taking these steps, risks can be managed in a straightforward way, and within a reasonable time frame, with everyone being clear about their tasks and responsibilities.

There are, though, valid reasons to be wary of risk assessment. Discussing 'risk' in a vacuum - i.e. outwith debates about values and future direction - could stifle initiative and innovation; it could even mean not providing users with services they want or need because other people fear the risks involved. And yet, deciding to take risks because the gain is core to the purpose of the organisation is good risk management.

On a slightly different tack – if trainers frighten management committee members about their responsibilities, this is not the best way of helping them learn, and indeed can even immobilise them. Althea's immediate anxieties might have meant that she switched off and missed the message about risk management. As it happened, Althea was made of sterner stuff and was able to help her fellow members see risk assessment and management as positive, and as a natural part of their cycle of planning and review.

Fig 33
Risk Assessment

All work activities, equipment and premises must be assessed to identify any hazard and the risk associated with them.

Hazard **refers to the potential for harm, and** risk **to the likelihood of harm occurring.**

Carrying out a risk assessment

1. Identify the hazard factor – how much harm may occur.
2. Identify the person factor – how many people might be hurt.
3. Identify the severity factor by multiplying the hazard and person factor
4. Identify the action needed to avoid or reduce the risk
5. Record the decision
6. Do whatever is needed!
7. Make sure those affected knows about the assessment, and what they must do

What sort of action is needed?

Once you have an idea of the severity, check if there are already measures in place to control it, and if not, some action will be needed. The more severe the incident, the sooner action is needed, and what is to be done will depend upon the severity factor and what is being assessed. In short, any action should avoid the risk of injury, and if this is not possible then control measures will be needed to reduce the severity of the hazard.

The law says that employers must do what is reasonably practical. This means that we have to balance the severity of the outcome against the costs of controlling the risk.

If it is likely that someone will be killed, for example by touching a faulty electrical cable, then something has to be done IMMEDIATELY, and there can be no questioning the cost (how much is your life worth?). On the other hand, if the outcome is likely to be a minor injury, and the actions needed prohibitive, it may be acceptable to do nothing.

Risk Assessment Rating; to calculate the severity of risk, circle the appropriate rating in the hazard and person factor tables, then multiply the hazard factor by the person factor.

Hazard Factor	
10	Minimal risk – causing minor strain or stress
20	Low risk – causing minor injuries such as cuts, bruises, sickness etc
50	Moderate risk – causing injuries such as broken bones, burns, scalds etc
80	High risk – causing disease, loss of limbs etc
100	Serious risk – causing death

Person Factor	
1	For 1 to 5 people affected
2	For 6 to 10 people affected
3	For 11 to 20 people affected
4	For 21 to 49 people affected
5	For 50 or more people affected

Severity Factor	Action needed by
1 – 19	3 months to remedy
20 – 49	1 month to remedy
50 – 79	7 to 10 days to remedy
80 – 99	1 to 2 days to remedy
Over 100	Immediate action

35
Tackling Bullying by Management Committee Members

Harriet met her friend Beryl at the bus station, and noticed her eyes were red from crying. After a few false starts – and after assurances about respecting confidences - Beryl told Harriet the story behind her tears.

Beryl had just left her tenant's association committee meeting feeling desperately unhappy. She was used to the convenor dominating meetings, and being rude, but his behaviour was more than she could take, and, as a consequence, she felt miserable and guilty. Harriet, hardly containing her anger, asked what had happened at the meeting. Beryl described in a dull voice how the convenor had leaned over, his face inches from hers and jabbed his finger into her shoulder. He said Beryl was to stop asking for more time for discussion, because there were lots of items yet to talk about. 'It is the way he keeps control by scowling and making cutting remarks', she said. 'He is always saying that committees must be business like, and not waffle – and then looking at me. Perhaps', she said sadly, 'I am not cut out for committee work'. Harriet, to prevent herself committing murder, marshalled her thoughts about policies on bullying; she was all too well aware that tackling bullies on committees was not easy. However, Beryl needed to do something about the convenor's behaviour, if only to preserve her self-esteem.

Bullying is not acceptable anywhere, nor is there any reason for it. The convenor's behaviour is not just a case of over vigorous chairing. By being so over bearing the chair is breaking fundamental principles about respecting other committee members; crushing a fellow committee member is shameful behaviour.

Complaints from one management committee member to another are always difficult, but the situation is even worse without the following:
  ➢ a code of conduct (e.g. listing acceptable and unacceptable behaviour)(see chapter 10);
  ➢ guidelines for management committee members on making a complaint (see chapter 30);
  ➢ arrangements for mediation (e.g. outside consultant acting as a third party);
  ➢ support made available to both parties.

Unfortunately, because this is such a fraught area an unhappy management committee member often leaves instead of making a formal complaint. Knowing that there is a complaints procedure to resort to does not necessarily help a quiet, insecure or isolated management committee members feel safe enough to risk challenging a dominant individual or group – especially if the bully is in the chair.

Hopefully, Harriet can support Beryl to work out what she needs to say to the convenor of her committee, and encourage her to go and say it (see Fig 35 for guidelines that Harriet and Beryl would find helpful in their situation). It would be tempting, but very unwise, for Harriet herself to confront the convenor instead of Beryl, or to fuel rumours about him, hoping this might pressure him into resigning.

Ideally, management committee members should take a proactive approach to bullying, by getting in there before it happens – in other words practising prevention. Practising prevention means:
  1. the organisation as a whole having an anti-bullying policy in place – as described in Fig 36 - and ensuring that it applies to management committee members;
  2. providing guidelines at induction (see chapter 18), on managing conflict and on being assertive;
  3. having regular reviews of how the management committee is functioning (e.g. annual appraisals (see chapter 23);
  4. making sure management committee members do not 'hog' key roles, by having procedures in place for members to move on, on a regular basis (e.g. every three years).

Bullying behaviour is an issue for the whole management committee, not just for the two or three management committee members concerned. Nor is it for the project leader to sort out. Sometimes management committee members attempt to involve staff, or even to delegate the problem to them, because they find these situations so stressful. Getting support and information from staff is one thing, making it their problem is quite another.

Although it may not be possible to completely stop people attempting to humiliate others, the louder the message that such behaviour is totally unacceptable, the less likely it is to occur. And hopefully,

people in Beryl's situation will have someone like Harriet who both cares for them and knows the value of procedures in challenging oppressive behaviour.

Fig 35
Challenging the Behaviour of Others

Although we do not always agree with, or approve of other people's behaviour or actions, we are usually very reluctant to make these feelings known. However, if we do not raise the concern with the appropriate person, it will very seldom just go away.

The first thing is to acknowledge that we have a right to make these comments if something is affecting us. Obviously the other person may not want to hear these criticisms, but neither you nor they have any opportunity to address them if they are not aired.

Criticism is usually most effective when done in private, and when you feel calm enough to be objective. However, it is important that it does not just drag on, or the action or behaviour may produce a disproportionate feeling of anger, and when you finally express the criticism, you may say things that you are not happy with.

Giving criticism

Make sure you have all the relevant facts to hand

State the problem clearly and simply and say why it is a problem

Focus your criticisms on the other person's behaviour or actions – not on their personality

Ask for a response and listen to any explanation offered

Make positive suggestions about what can be done

Ask for their suggestions for resolution

Try to achieve a mutually acceptable solution or way forward

Receiving Criticism

Listen to what is being said and make sure you fully understand

Regard the criticism as a comment on your behaviour or action, not on your character

Try not to jump to defend, attack or justify your action. On the other hand try not to just sit and accept it without comment.

If the criticism is not valid, explain your point of view.

If the criticism is valid, consider what can be done to improve or remedy the situation.

You may ask the person making the criticism, if they have any suggestions regarding the actions or behaviours.

NOTE: *for a criticism to be valid, it must be both true and fair.*

Fig 36
Anti-bullying Policy

Voluntary Organisations can find that bullying or harassment is happening within their project due to the following:
- Lack of job security due to short or fixed term contracts
- Increased pressure to achieve objectives, often with a reduced work force or budget.
- Absence of policies to highlight and address concerns
- Absence of procedures for resolving interpersonal issues and conflict
- Lack of training in management, supervisory or interpersonal skills
- No effective line management and support structure
- The Management Committee have minimal experience of being an employer.

To start the process of identifying and tackling it, it is useful to formulate a 'Statement of Intent' to highlight what is your position on this issue.

STATEMENT OF INTENT

[Name of Organisation] is committed to eliminating all forms of unfair discrimination including harassment, bullying and victimisation.

[Name of Organisation] believes that such behaviour undermines the dignity of all of those affected and that it will not be tolerated.

[Name of Organisation] further believes that all individuals have a right to be treated with dignity and respect at all times.

The initiative is central to the values of [Name of Organisation] and, in particular, it emphasises equality and quality in an open and accountable workplace where employees, volunteers and committee members are supported and valued.

[Name of Organisation] aims to provide a constructive, positive and supportive environment, which is free from offensive behaviour.

The initiative is intended to highlight and prevent all forms of offensive behaviour, whether or not such behaviour is unlawful.

All formal complaints made within the scope of the initiative will be fairly investigated and may result in disciplinary proceedings.

The committee will ensure all procedures arising from the initiative are implemented fairly and to ensure that all people are treated with dignity and respect.

Guidelines for management committee members and employees [paid and unpaid] will be drawn up to ensure the effectiveness and consistency of this initiative.

The guidelines will be published throughout [Name of Organisation] and the contents made known to all new and existing employees, volunteers and committee members.

All people involved with [name of organisation] are required to comply with the procedures contained within the initiative.

Adapted from *Bully Off! {Clifton and Serdar}* Published by Russell House Publishing 2000 ISBN 1-898924-66-X

36

Management Committee Members and Conflict Between Groups

Eric was shocked when he was suddenly made aware of conflict between two groups on the TCCO management committee. It happened when he attended a special meeting, ostensibly about management committee development, to find only a third of the management committee present, and talk of getting rid of three of the members who were not there. In fac, these three people were not there because they had not been told about the meeting! Eric resolutely refused to join this 'campaign', and worried about how to intervene to stop what was going on. To make matters worse, because he had spoken out about what was happening, one of the most vocal members of the 'throw them out' clique had openly taken against him. He became one of their targets in subsequent meetings, and was the subject of malicious gossip about his 'inadequacies' on the management committee. Eric had also had abusive anonymous phone calls. The whole business left him feeling quite shaky.

Regrettably, management committee members do on occasion form factions or cliques, and do get into disputes; in fact, this can be a feature of the soap opera of organisations. This does not mean that such behaviour can be tolerated; it is _never_ acceptable for people or groups to abuse others. Values about working for social justice, and the empowerment of disadvantaged people, are meaningless if the people involved are engaged in power games and the egotistical pursuit of exclusive agendas.

A fragmented - and therefore dysfunctional - management committee cannot fulfil its responsibilities; it cannot provide the collectivity required for sound deliberation and decision-making, because factions undermine consensus and people are left out of the information 'loop' who are not in the dominant clique.

It is not easy for an individual management committee member to influence established cliques - especially if the management committee member is, like Eric, regarded as having little power or status.

There are a number of points for Eric to consider: -
1. He should not let himself be pressured into colluding, i.e. joining a clique to feel less isolated. To do so can bring the short-term gain of being included, but at the cost of long term loss of credibility and sense of self-worth;
2. When groups start to feud, it may be necessary to protect your back. When the conflict between the groups is at its peak it can be very hard not to take sides - or indeed to be seen to take sides. Sometimes not being present at a meeting, or maintaining your silence, can be a key survival strategy.
3. It can help to diagnose the root causes of the conflict, and the forces that fuel it. There may be steps you can take to help de-fuse the tension, or limit the damage.

More generally, non-aligned management committee members can work positively to improve things by:

> ➢ Considering how to deal with the conflicts constructively – for example by following the guidelines in Fig 37;
> ➢ Promoting the value of outside mediation;
> ➢ Exploring the potential for sorting out some of the issues at an 'away ay 'team building day' [see chapters 21 and 23], using an outside consultant to facilitate (see chapter 24);
> ➢ Encouraging staff to get on with their work and not to lose confidence in their management committee;
> ➢ Ensuring that the basic functions of a management committee continue to carry on, e.g. that there is regular reporting on finance and services to users, and that

legal requirements – such as holding the Annual General Meeting (AGM) – continue to be met;

➢ Looking for new recruits who may join the management committee - once the turmoil is over (see chapter16). This is vital to the management committee's future;

➢ Noting what policies and procedures, training and support, might have avoided or defused the conflict, and arranging for them to be implemented in quieter times.

Perhaps the most important advice, for Eric, and anyone else in his situation, would be to look after them selves. The vortex created by power struggles can be a recipe for deep despair, especially for people on the margins; yet it is the people on the margins, like Eric, who are vital to the long-term future of the management committee, and ultimately to the survival of the organisation.

Fig 37
Dealing With Conflict

To bring a conflict into the open, a technique known as *confrontation* is very useful. When skilfully used, confrontation can be a very powerful tool, but it should be used sparingly. People seen as confrontational tend to be feared and avoided.

Confrontation is making explicit the difference between
- what you value and what the other person values
- what you think and what the other person thinks
- what you feel and what the other person feels

When you do this you risk hurting the other person's feelings; but it is also examining the difference between
- what you want to do and what the other person wants to do
- what you actually do and what the other person does.

When you do this someone has to change their behaviour - the risk is it may have to be you!

Confrontation also makes plain the difference between
- what the other person *says* and what they actually *do*

When you do this you risk the other person becoming angry (defensive).

HOW TO CONFRONT

1   Acknowledge the other persons position as legitimate (for them)

2   Differentiate the other person's position from yours

3   Check to see that both you and they have heard the other clearly

4   Accept hostile angry feelings in yourself and in the other person as real.
5
5   Be responsible for your own feelings.

6   Leave the other person the space to feel differently.

5   Don't try to solve the problem until the differences have been fully explained.

6   Ask the other person to describe their preferred solution. Be prepared to state and explain where yours differs.

MEDIATION
If an individual finds it difficult to handle this conflict, or if there are 'factions' springing up, then mediation may be the answer. And by this means it is often possible to negotiate the satisfactory settlement of a conflict. This procedure works best facilitated by a mediator, either a member of the group not involved in the conflict or someone completely independent.

- **REQUIREMENTS**

Each party writes down

- one concrete thing they want the other party to do more of
- one concrete thing they want the other party to do less of
- one thing they like about the other's behaviour and want to keep the same.

- **NEGOTIATION**

On the basis of the written requirements, the two parties

- seek a compromise by trading specific changes in their behaviour.
- if necessary, ask the mediator for suggested compromises.

- **CONTRACT**

If a compromise is reached, a 'contract' can be established that

- sets out the actions each party has to take is monitored by the mediator /group to see if it has been kept to and is effective.

37
Deciding to Resign as a Management Committee Member

Eric was seriously considering leaving the management committee. He didn't even want to wait until the AGM to do so. The conflicts in the management committee, the constant put-downs, the scape-goating had really got to him. He wondered if his time had come - albeit quicker than he had originally anticipated. Should he use his resignation as a way of making a point?

He had just decided that he might well do this, when a new, and to his mind very young, management committee member, Mohammed, waited behind after a meeting to speak to him. Mohammed told Eric that he admired Eric's stand at the last meeting, and that he himself had been about to walk out when Eric came thundering into the debate like an avenging angel. Mohammed hesitated, took a deep breath, and said he was worried about the pressure on Eric, and that if he needed any support he hoped he would ask for it. Eric, suddenly feeling teary, muttered his thanks and said that he would do so. 'But is this a sign?' he thought to himself?

It is very much up to individual management committee members when they leave. And usually it does not help difficult situations to use resignations to make a statement; it only acts as a distraction from the main issues and adds to the bad feeling. Sometimes making a dramatic statement seems an attractive tactic, especially when relationships have broken down and no compromise appears possible. But strong feelings and heroic gestures can create more problems than they solve. However bad the circumstances, management committee members need to be sure that their resignation will not damage their management committee or organisation (Fig 38 gives examples of points for people in this situation to consider).

Ideally, management committee members leave as part of the ritual of an Annual General Meeting - as part of the proper cycle of events – and with an eye to the external reputation of the organisation. This would mean Eric (should he finally decide to leave) waiting until the AGM to formally resign. But he might choose to present his management committee with a confidential letter in advance, giving his reasons for leaving, but careful to avoid 'pointing the finger' or naming names. The letter might also include proposals for tackling key issues and concerns. Fig 39 provides the outline of such a letter.

If Eric decides to resign, before the AGM, he should think about what is to be gained either for himself or the management committee by making this gesture. A 'worst case' scenario would be for Eric's dramatic resignation to exacerbate the rumours and gossip, thereby intensifying the anger and threat at the heart of the conflict. Indeed Eric's early departure might have the consequence that people like Mohammed lose respect for him because he is seen as manipulative, or pursuing a personal agenda.

Management committee members facing such dilemmas might want to ask themselves the question 'if I resign now, feeling as I do - frustrated or angry etc - how will I feel about it in 12 months time?' Given the valuable contribution management committee members make in terms of time, and commitment, it is important how they come to feel about their tenure on their management committee, and the way in which they resign has a lot to do with this.

Fig 38
Staying or Going?

It is vital to identify, and regularly review your motivation for being a management committee member. Only then can you decide if you are there out of commitment and a genuine desire to be involved – or out of habit!

The following may be useful to help you to examine the current state of your motivation, and whether the there are more reasons to stay – or go!

WHEN TO STAY

1   You have not yet completed your agreed 'term' as a management committee member

2   You have adequate time available to carry out your duties as a management committee member

3   You have skills useful to the organisation that you wish to share

4   You are still getting satisfaction from being involved with the organisation

5   You wish to be involved with the development of the organisation

6   Any conflicts of interest are temporary

WHEN TO LEAVE

1   You have completed your specified term as a management committee member

2   You no longer have adequate time to effectively carry out your duties as a management committee member

3   You feel that you have done all of the work you set out to do

4   You have been a management committee member for more than 3 consecutive terms of office

5   Your own values and principles are no longer in tune with the organisation

6   Other commitments create a conflict of interest with those of the organisation

7   You cannot readily identify what use you are to the organisation

8   You genuinely feel that the organisation needs 'new blood'

9   You consistently feel dispirited – not enthused – with your involvement

10   You are unable to work effectively with other management committee members

Fig 39
Deciding to Leave

Having made that decision, it is important to let the appropriate person or people know you are leaving, and it is always helpful if you can state the reasons for this. If the reasons are personal, then this is all you would need to state. But if there are issues concerning the organisation, then it is only fair to make them known so that they can be addressed and resolved. The issue that is driving you away may resurface and have a similar effect on others. If nothing is resolved by addressing it informally, you may wish to write to the Chair or other relevant person expressing these issues, before you take your decision to leave.

Framework for resignation letter

Notice of Resignation

Formally tender your resignation as a management committee member of [Name of Organisation] as of [Date].

Outline the aspects of the involvement you have enjoyed, eg being part of a team helping to develop and implement the vision of the organisation.

Outline the aspects that you have found less positive, e.g. the responsibility of being part of the employment group.

Also mention any specific aspect that is supporting the decision to leave. This may be concerned with the organisation, e.g. conflict within the management committee: or concerned with you personally, e.g. a change in your circumstances, which affects your availability.

Thank the organisation [and you may wish to note any specific individual whom you feel has been helpful to you personally], so that you are ending on a positive note.

MAINTAINING THE LINKS

Remember, you may not wish to completely sever your connections with the organisation, but would like to remain involved - albeit in a different role. So mention this in your letter.

You may also wish to leave a door open for a return in the future, so it is very important that your letter is phrased positively, sticking to the facts of the issue, without wandering into personal attacks on other management committee members, volunteers or paid staff.

38
Leaving the committee and moving on

Harriet is going to her last management committee meeting. She is to formally resign at the AGM next week. She gave the management committee three months notice; although no one was surprised at the news, she had been talking about resigning for the last eighteen months. As Harriet walked along Erin Park Road, towards the Community Flat, she felt a weight falling from her shoulders; and yet she felt nostalgic as well. The early days with meetings in her cramped front room, the time the ceiling of the Community Flat leaked onto the Link Officer (she did take it very well); the dramas over choosing the paint colours for the flat. The soothing effects of Eau de nil, she reflected dryly, did not stop people getting angry and posturing about who did, or did not, clear up after their session in the Community Flat.

Harriet felt privileged, even lucky, to be leaving without any acrimony. In her experience, amongst 'founder' management committee members, to leave without a vestige of bad feeling was not that common. Harriet reckoned she would miss the Community Flat more than it would her. Then she sighed as the guilty thought came back again; Harriet *knew* she should have resigned earlier; but it had been *so* hard to let go!

As Harriet pushed open the door of the meeting room, she was nonplussed to be face to face with balloons. It was a surprise party for her, to say thank you. There was lots of laughter and tears that night.

Most leavings are not as dramatic as Harriet's, or, indeed, as Eric's might have been.
The difficulty in leaving and moving on that founding members experience is a familiar one. After all, founders like Harriet as good as give birth to their organisations. When should they leave? How can they best let go and accept bequeathing their beloved organisation to the care of others?
And there is another side to this familiar story; the 'others' may want the founder to move on just that bit quicker than they want to themselves.

Some organisations have specified in their governing documents (see chapters 4 and 12) a maximum time period that a management committee member can serve. This, in itself does not entirely deal with the dilemma of encouraging people to move on – although it is a good idea – because usually ex-members are allowed to re-join the management committee sometime in the future.

There are four key issues, for individual committee members to consider about leaving and moving on.
1. Motivation – what satisfaction is still to be had from being involved in the management committee / organisation? In truth, how sustaining is this satisfaction - given the pressure and demands on you, now and in the future (see chapter 28);
2. Volunteering / life balance – does working on the management committee fit or complement the other things which are important or happening in your life? After all priorities change, including what you may want or need to spend time on;
3. Impact on the management committee – how will your leaving affect the range of skills and experience available to the management committee? What could be done to ameliorate the loss of specialist knowledge etc. thereby assisting you to leave without feeling guilty?
4. The damage that might occur by staying too long. Staying on the management committee when your heart is not in it is <u>not</u> rewarding, especially in the long run. Nor does it work to stay to make up the numbers. Staying for a limited period to help improve the numbers is one thing, but just staying and going stale is another.

Perhaps the best time to leave is when you are still enjoying it, and are a trifle reluctant to go, but know it is time to for a change, probably for one of the following reasons:

- you are feeling stuck,
- you need to re-invest your attention elsewhere (e.g. a new job, family matters),
- you are feeling burnt out following recent dramas or difficulties.

Whatever the reason a management committee member decides to move on, the gifts they have given of their time, attention and life spirit deserves to be celebrated. Volunteer management committee members have a long and honourable tradition of service in charities, and other voluntary and community organisations. They are, and must remain, a fundamental life force at the heart of the voluntary and community sectors.

SECTION FOUR

USEFUL INFORMATION

USEFUL RESOURCES AND PUBLICATIONS

The following publications and web-sites are used frequently by the authors in their work with voluntary and community groups. Their validity and useful-ness to individuals will vary according to the level of skills and experience already present in your organisation.

Contact details for the principal publishers of voluntary sector publications

Directory of Social Change [DSC]
24 Stephenson Way
London NW1 2DP
020 7209 5049

London Voluntary Service Council [LVCS]
356 Holloway Road
London N7 6PA
020 7700 8107

Russell House Publishers [RHP]
4 St George's House
The Busines Park
Uplyme Road
Lyme Regis
Dorset DT7 3LS

National Council for Voluntary Organisations [NCVO]
Regent's Wharf
8 All Saints Street
London NI 9RL
020 7713 6161

Scottish Council For Voluntary Organisations [SCVO]
Mansfield Traquair Centre
15 Mansfield Place
Edinburgh   EH 6 3BB
0131 556 3882

Northern Ireland Council for Voluntary Agencies
61 Duncairn Gardens
BELFAST
BT15 2GB
028 9087 7777

Wales Council for Voluntary Action
Baltic House
Mount Stuart Square
Cardiff Bay
Cardiff
CF10 5FH
029 20431700

Planning Together Associates
281a Wooten Road
Kings Lynn
Norfolk PE30 3AR
01553 671 620

Volunteering England
Regents' Wharf
8 All Saints Street
London
N1 9RL

0845 305 6979

Eastern Arts Board
Cherry Hinton Hall
Cherry Hinton Road
Cambridge CB1 4DW

GOVERNANCE AND MANAGEMENT PUBLICATIONS [Contact details above]

Directory of Social Change [DSC]
London Voluntary Service Council [LVCS]
Russell House Publishers [RHP]
National Council for Voluntary Organisations [NCVO]
Scottish Council For Voluntary Organisations [SCVO]

Just About Managing   *Sandy Adirondack   LVSC   3rd ed. 1998*

The Minute Taker's Handbook Lee Comer and Paul Ticher   DSC 2002

The Good Governance Plan for Voluntary Organisations   Sandy Adirondack NCVO 2002

The Complete Guide to Business and strategic Planning   Alan Lawrie   DSC   2nd ed 2001

Developing Your Organisation   Alan Lawrie   DSC   2002

Managing People   Gill Taylor & Christine Thornton   DSC 1995

Managing Recruitment and Selection Gill Taylor DSC 1996

Performance Appraisal   Philip Hope & Tim Pickles   RHP   1995

Bully Off!   Jo Clifton and Heather Serdar.   RHP 2000

Dealing with Disputes in Voluntary Organisations: an introduction   Linda Laurance and Anne Radford. NCVO   1997

Creative Equality   Gill Taylor and Christine Thornton. Eastern Arts Board 1996

Managing Conflict   Gill Taylor DSC 1999

Voluntary But Not Amateur   Ruth Hayes and Jacki Reason LVSC 7th ed 2003

'Getting Organised: a handbook for non-statutory organisations'. Chris Holloway Shirley Otto Bedford Sq. Press/NCVO   1985

The Good Employment Handbook - for the voluntary sector: NCVO 2002

Essential Volunteer Management McCurley & Lynch DSC 1998

The Good Practice Guide- for everyone who works with volunteers

Volunteering England 2002

Data Protection for voluntary organisations   Paul Ticher DSC 2002

'Recruiting Volunteers: attracting the people you need': **Dyer and Jost, DSC 2002**

Essential Volunteer Management McCurley & Lynch 1998

Managing Risks: guidelines for medium-sized organisations   Caroline Clark NCVO 2001

The Good management Guide for the Voluntary Sector   John Harris NCVO 2002

Charitable Status: a practical handbook Phillips and Smith DSC 2003

Planning Together: the art of effective teamwork   George Gawlinski and Lois Graessle
        Planning Together Associates 1999.

Managing People   Gill Taylor & Christine Thornton   DSC 1995

Managing Recruitment and Selection Gill Taylor DSC 1996

The CHAIR Pack [Chairperson's Aids and Information Resource]. Eddie Palmer [editor] SCVO
2000   Available from SCVO 0131 556 3882

Performance Appraisal   Philip Hope & Tim Pickles   Russell House Publishing, 1995

The Voluntary Sector Legal Handbook   Sandy Adirondack and James Sinclair Taylor
DSC 2nd ed. 2001

Bully Off!   Jo Clifton and Heather Serdar.   RHP   2000

The Good Employment Handbook - for the voluntary sector: NCVO 2002

INTERNET PUBLICATIONS FROM NATIONAL UMBRELLA BODIES

Scotland

The following can be accessed and downloaded free from SCVO at www.scvo.org
and deals with issues from a Scottish perspective.

   Guide to constitutions and charitable status
   In Management and Control
   A Hand in Management
   Essential Advice and Information Manual

England and Wales

Useful information and advice about just about everything you need to manage and
operate your voluntary organisation can be found on the governance pages at
www.ncvo.org There are comprehensive sections on:

Trustee and governance related issues
Employment and Human Resources
Black and Minority Ethnic issues
Specific Current Sector Issues

Legal and Regulatory
Finance
Campaigning
Information and Communication Technology

Many of these can be downloaded free of charge, and relate to most voluntary organisations in all UK countries, but check for the differences in those with a legal foundation.

<u>**Northern Ireland**</u>

Lots of useful information from a Northern Ireland perspective including booklets and publications that can be accessed and downloaded on www.nicva.org

Good Governance
Notes on Setting up a Voluntary Organisation
Setting up as a company
Manage: Risk Assessment

<u>**Wales**</u>

The site offers a comprehensive selection of fact sheets available from www.wcva.org.uk covering a diverse range of topics –many also available in the Welsh language – including:

Funding
Volunteering
Running a community building
Management
Personnel

OTHER ELECTRONIC SOURCES OF INFORMATION

NCVO's new financial management website includes briefings and guidance on financial matters, as well as model policies and procedures. It is at **www.ncvo-vol.org.uk/fm**.

Charities Resource Network at **www.thecrn.org.uk**, covers finance, IT and human resources and provides practical working documents which are used by charities, as well as professional guidance and advice provided by experts.

Employing People: A handbook for small firms ACAS   up-dated 2004
The handbook is in two parts, at **www.acas.co.uk/publications/H01.html** and **www.acas.co.uk/publications/H02.html**

Sandy Adirondack provides regular up-dates to The Voluntary Sector Legal Handbook on www.sandy-a.co.uk

Volunteers and Welfare Benefits available for free download from VDS, the Scottish body for volunteering. www.vds.org.uk

OTHER USEFUL WEBSITES

The Charity Commission   www.charitycommission.gov.uk

Data Protection   www.dataprotection.gov.uk

Information Commissioner	www.informationcommissioner.gov.uk
Office of Scottish Charities Regulator	www.oscr.org.uk
Volunteer Issues Unit	www.scotland.org.uk/viu
ACAS	www.acas.gov.uk
Department of Trade and Industry	www.dti.gov.uk/er
Volunteering England	www.volunteeringengland.org.uk
Volunteer Development Scotland	www.vds.org.uk
Volunteer Development Agency N.I	www.volunteerin-ni.org
Volunteering Ireland [R.O.I]	www.volunteeringireland.org
Scottish Council for Voluntary Organisations	www.scvo.org
Northern Ireland Council for Voluntary Action	www.nicva.org
National Council for Voluntary Organisations	www.ncvo.org
Wales Council for Voluntary Action	www.wcva.org.uk

GLOSSARY

FINANCE

Budget
Estimate of payments and expected income, over a financial year.

IRNIC
Inland Revenue/National Insurance Contributions.

PAYE
Pay As You Earn i.e. income tax deducted at source

SOFA
Statement of Financial Activities
A method of analysing all income and capital in a way that shows what happened to it, and will be required as part of all charity accounts, even small ones.

SORP
Statement of Recommended Practice
Issued by the Charity Commission and incorporated in regulations for England & Wales. SORP includes modifications for Scotland and was embodied in Scottish regulations in 1996/97

MEETINGS

Quorum
Minimum number of people who must be present – and authorised to vote - for a decision to be valid. Usually defined in governing document

Tabled item
An item for the agenda, introduced at the meeting. Literally, laid on the table for consideration.

Agenda
Detailed list of topics for discussion in a meeting, outlining the topic, purpose of discussion, and the desired outcome, e.g 'decision needed'.

Minutes
Concise note of decisions taken in the meeting, noting any actions that arise from that decision, and other relevant supporting information.

OPERATIONAL

Action Points
Those items arising from a document such as a report or management plan, that indicate where action should be taken.

Appraisal
Making judgements how about how well something is going. It can apply to a person's performance or judging the extent to which your organisation is meeting the needs of its users.

Awayday
Colloquial term for review and/or planning session away from the project base.

Beneficiary
Individuals or groups of people who receive the service offered by a charity, and make be said to benefit from it.

Complaints Procedure
The process by which a service-user can raise a formal complaint to the organisation, about the standard of service, discrimination or other dis-satisfaction with the service.

Disciplinary Procedure
The process by which an employer can raise a formal complaint regarding the standards of work, behaviour, or other dis-satisfaction with an employee's performance.

Diversity
Ensuring a fair balance and representation of people who reflect those who benefit from the organisation's work or who help the organisation to do its work.

Disclosure
A process by which employers and volunteering-using organisations, can check the relevant criminal history of potential employees or volunteers.

Donor
Individual or group donating money or resources to an organisation, for the benefit of its service users.

Employment Tribunal
The body which hears and decides on cases of dispute between and employer and employee, with the power to impose fines and other punitive measures.

Evaluation
A structured process, which measures how far a piece of work or an activity has met the targets and/or standards originally laid down.

Grievance Procedure
A formal process which can be invoked by an employee wishing to make a formal complaint about their employer or a fellow employee.

Induction
A structured introduction to the operations and working practices of an organisation.

Jargon
Words or phrases associated with a particular circumstance or working practice, often using a shortened form, such as *volorgs*. for *voluntary organisations.*

Link Officer
Representative of the funding or sponsoring body, who acts as advisor to the project.

Sessional Staff
Employees who work for short periods of time for a specific activity. E.g play workers at a summer camp.

Support and supervision
A regular one to one meeting to review past work and decide on strategies for the future

SWOT Analysis
A structured examination of the elements that influence the work of an organisation or team. It identifies the strengths and weaknesses internally, and the opportunities and threats externally.

Stakeholder
Individual or group having an interest [financial or ethical] in the work of an organisation.

Team Building
An activity carried out with a group of people having similar aims, to increase effectiveness.

GOVERNANCE

Chair's action
Action or decision taken by the chairperson outwith a committee meeting, and ratified at the next meeting. Should only occur if within the provisions of the governing document.

Charitable Trust
A charitable body, which holds money and / or property in trust for the benefit of a third party.

Charity Regulators
Body responsible for ensuring compliance of charity regulations by charities

Code of Conduct
Set of guidelines governing the actions and behaviour of committee business.

Company secretary
A legal requirement for a company. An officer of the board, who may or may not be a director, and may be paid.

Compliance
The act of following the rules laid down by a particular law or regulation.
e.g Company Law.

Conflict of Interest
A situation where a member of the governing body's interests clash with those of the organisation, or the principles on which it operates.

Constitution
The governing document of an un-incorporated organisation.

Convenor
Term for a person who convenes or chairs meetings. Alternative title for chair [Scotland]

Core Values
Those principles underpinning the reasons influencing the work carried out by the organisation.

Governing Document
The organisation's central document, setting out its purposes, powers and rules.

Honorary Officers.
People fulfilling a particular role within the committee, usually chair, vice-chair, secretary and treasurer.
Also known as office bearers.

Incorporated Organisation
One which exists as a legal entity separate from its members, and with the power to own property, and enter into legal action in its own right.

Incorporation
The act of becoming a company or an incorporated organisation.

Memorandum & Articles of Association
The governing document of an incorporated organisation [or company].

Mission statement
Formal statement of aims and values, often used on publicity and promotional material.

Policy
The statement of values that underlies the intention to tackle a particular issue, together with the who, why and what of implementation

Procedures
The actions taken to ensure good practice, usually determined by a policy.

Risk assessment
A structured assessment of the potential hazards in the organisation, and a planned strategy to minimise or prevent any associated harm.

Role Remit
A description of the role and duties carried out by an honorary officer of the committee.

Steering committee
The initial members of a managing body, before it adopts the formality of a constitution.

Sub-committee
A group of people working on specific areas, with a direct accountability to the main committee.

Succession planning
A planned approach to recruiting new members to the governing body, especially to the honorary officer roles.

Trust Deed
The governing document of an organisation set up as a trust.

Umbrella Body
An organisation, which represents the interests, and often speaks on behalf of a group of voluntary organisations. Eg Council of Voluntary Service.

Working party
Similar to a sub-committee, but time limited, often used to plan for a single event, such as an open day.